



**SECOND FIVE-YEAR REVIEW
OF THE PCB CAPPED AREA
FORMER WALKER PROPERTY
CURRENT BLOOMFIELD BUSINESS CENTER
11020 BLOOMFIELD AVENUE
SANTA FE SPRINGS, CALIFORNIA**

PREPARED FOR:

Department of Toxic Substances Control
9211 Oakdale Avenue
Chatsworth, California 91311

PREPARED BY:

Ardent Environmental Group, Inc.
1141 Pomona Road, Suite E
Corona, California 92882

June 12, 2012
Project No. 100367001



June 12, 2012
Project No. 100367001

Mr. Manjul Bose
Department of Toxic Substances Control
9211 Oakdale Avenue
Chatsworth, California 91311

Subject: Second Five-Year Review of the PCB Capped Area
Former Walker Property
Current Bloomfield Business Center
11020 Bloomfield Avenue
Santa Fe Springs, California

Dear Mr. Bose:

Ardent Environmental Group, Inc. has completed a Five-Year Review of the PCB Capped Area at the above-referenced property (site). The attached report presents our methodology, findings, opinions, and conclusions regarding the environmental conditions at the site. If there are any questions, please feel free to call the undersigned at your convenience.

Sincerely,
Ardent Environmental Group, Inc.

A handwritten signature in black ink that reads "Paul Roberts".

Paul A. Roberts, P.G., R.E.A. I/II
Principal Geologist
PAR/paw

Distribution: (1) Addressee (electronic copy)
(1) Mr. Stanley Rogers, R&H Investments (electronic copy)

TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY	1
1 INTRODUCTION	1
1.1 Purpose	2
1.2 Involved Parties	2
2 PHYSICAL SETTING	2
2.1 Topography	2
2.2 Geology	2
2.3 Groundwater	3
3 BACKGROUND AND CHRONOLOGY OF SITE ACTIVITIES	4
3.1 Site Description	4
3.2 Former Land Uses of the Site and Surrounding Areas	5
3.3 History of Investigations and Remedial Action	6
3.3.1 Discovery of PCB-Impacted Soil and Subsequent Investigations	6
3.3.2 Groundwater Investigations	8
3.3.3 Health and Environment Risk Evaluations	8
3.3.4 Mitigation Measures and Site Certification	9
3.3.5 Remedial Actions Completed	10
3.3.6 Legal and Regulatory Documentations	10
3.3.7 Recent Site Redevelopment	11
4 REMEDIAL ACTIONS	12
4.1 Objectives	12
4.2 Remedy Description	12
4.3 Remedy Implementation	12
4.4 Regulatory Actions	13
4.5 Review of Yearly Inspections	13
5 FIVE-YEAR REVIEW	14
5.1 Administrative Components	14
5.1.1 Notification of Interested Parties of Review Process	14
5.1.2 Identification of Five-Year Review Team Members	14
5.1.3 Outline Future Yearly Inspections	14
5.2 Site Inspections	15
5.3 Data Review and Evaluation	15
5.3.1 Changes in Land Use On or Near the Site	16
5.3.2 New Human Health or Ecological Receptors or Exposure Pathways	16
5.3.3 New Contaminants or Contaminant Sources	16
5.3.4 Changes in Exposure Parameters or Toxicity Factors	16
6 TECHNICAL ASSESSMENT	17
7 ISSUES	17

8 RECOMMENDATIONS AND FOLLOW-UP ACTIONS.....	17
9 PROTECTIVENESS STATEMENT.....	18
10 NEXT REVIEW	18
11 SELECTED REFERENCES	19

Tables

Table 1 – Chronology of Site Activities

Table 2 – Future Site Inspection/Evaluation

Figures

Figure 1 – Site Location Map

Figure 2 – Site Plan

Figure 3 – Inspection of PCB Capped Area

Appendices

Appendix A – Copy of the DTSC Consent Order and Certification

Appendix B – Photographic Documentation

Appendix C – Completed Five-Year Review Summary Form

EXECUTIVE SUMMARY

Ardent Environmental Group, Inc. (Ardent) was retained by R&H Investments to perform the second Five-Year Review of the PCB Capped Area located on Parcel 1 of the Bloomfield Business Center property at 11020 Bloomfield Avenue in the city of Santa Fe Springs, California (site). The site is part of a larger property that was formerly designated as the Walker Property based on the prior owner's name.

From approximately 1985 through 1995, a number of subsurface investigations were completed in an area of the site that was formerly used to store waste oil by an oil recycling company. Petroleum hydrocarbon, polychlorinated biphenyl (PCB), and metal impacted soil was discovered in a limited area formerly occupied by the oil recycling facility. In 1992, the Department of Toxic Substances Control (DTSC) issued an Imminent and Substantial Endangerment Order (I&SE Order) to investigate and remediate the impacted soil. From 1995 through 1997, a Remedial Investigation (RI) report, a Baseline Health Risk Assessment (BHRA), a Feasibility Study (FS), and a Remedial Action Plan (RAP) were provided to the DTSC for review. The FS and RAP outlined the proposed implementation of an asphalt cap to be placed over the impacted soil (referred to as the "PCB Capped Area"). Following authorization of a Remedial Design and Implementation Plan presented to the DTSC in January 1998, the asphalt cap was constructed. A deed restriction was recorded with the County of Los Angeles in August 1998 that restricts the land use of the PCB Capped Area for industrial or commercial use. In September 1998, the DTSC issued a certification indicating that no further action was needed. A review and reevaluation of the remedial action for the PCB Capped Area is to be conducted every five years after the certification.

The site has been redeveloped with a large commercial building (referred to as Building 1). During redevelopment, the PCB Capped Area remained untouched. Building 1 has been constructed around the PCB Capped Area, with the PCB Capped Area being part of Building 1's parking lot. In 2003, Ninyo & Moore completed the first Five-Year Review and Evaluation of the PCB Capped Area at the site. Based on the results of this inspection and evaluation, Ninyo & Moore

concluded that no deficiencies were noted that would require maintenance or correction. Because the remedial action is protective, the site is protective of human health and the environment.

The site was sold to R&H Investments in 2003, and since that time, no annual inspections or Five-Year Reviews have been completed. This report presents the second Five-Year Review following Ninyo & Moore's initial review. During this assessment, Ardent reviewed the previously completed Five-Year Review, evaluated whether new exposure pathways or toxicity factors exist, and visually inspected the cap for integrity. Based on the results of this investigation, human health and the environment are still being protected by the remedial action implemented at the PCB Capped Area, the cap remains effective, the land use controls remain in place and are being complied with, and the site continues to pose no significant health risk.

1 INTRODUCTION

Ardent Environmental Group, Inc. (Ardent) was retained by R&H Investments to perform the second Five-Year Review of the PCB Capped Area located on Parcel 1 of the Bloomfield Business Center property at 11020 Bloomfield Avenue in the city of Santa Fe Springs, California (site; Figure 1). The report generally follows the United States Environmental Protection Agency (USEPA) “Comprehensive Five-Year Review Guideline” document dated June 2001.

Parcel 1 of the Bloomfield Business Center comprises approximately 5-acres that were formerly part of a larger piece of land historically known as the Walker Property based on the prior owner’s name. The Walker Property comprised approximately 21-acres and was used since the early-1900s to store crude oil and petroleum hydrocarbon products, and store off-site derived oil well drilling fluids and muds. From the 1960s to 1980s, the western portion of the former Walker Property was used by commercial facilities including an oil recycling business. In the 1980s, petroleum hydrocarbon, polychlorinated biphenyl (PCB), and metal-impacted soil was discovered in the area of the oil recycling business, the extent of the impacted area was defined, and the soil was mitigated by placing an asphaltic cap over the impacted area (referred to herein as the PCB Capped Area). The Walker Property was purchased in mid-2002 by Bloomfield Partners, LLC from Cenco Electric Company (Cenco) and has been redeveloped for commercial warehouses purposes (the Bloomfield Business Center). The Bloomfield Business Center consists of Parcel 1 (housing the PCB Capped Area), Parcel 2 (located immediately south of Parcel 1), and Parcel 3 (located in the southern portion of the Bloomfield Business Center property). Since the property has been subdivided into the three parcels, the “site,” as described herein, will refer to Parcel 1 of the Bloomfield Business Center.

The site was sold to R&H Investments in 2003, and since that time, no annual inspections or Five-Year Reviews have been completed. This report presents the second Five-Year Review following the initial Five-Year Review (referred to herein as the “first Five-Year Review”) completed by Ninyo & Moore in 2003 on behalf of the previous site owner (Ninyo & Moore, 2003).

1.1 Purpose

The purpose of the work described herein was to assess the integrity of the PCB Capped Area, and to evaluate the implementation and performance of the remedy with respect to its ability to remain protective of human health and the environment.

1.2 Involved Parties

The involved parties include:

- R&H Investments –current owners of the site;
- DTSC - lead regulatory agency overseeing the implementation of the remedy; and
- Ardent - consultants retained by R&H Investments to complete the Five-Year Review of the PCB Capped Area.

2 PHYSICAL SETTING

The following sections include discussions of topographic, geologic and hydrogeologic conditions in the vicinity of the site, based upon our document review and our visual reconnaissance of the site and adjacent areas.

2.1 Topography

The site is generally flat. Based on the review of the USGS 7.5-Minute Series Whittier, California, Topographic Quadrangle Map, dated 1965 and photorevised in 1985, the site has an approximate elevation of 135 feet above mean sea level (msl).

2.2 Geology

The project area is situated on the Santa Fe Springs Plain area of the Los Angeles Coastal Plain. Prominent area features include the Puente and Coyote Hills to the northeast, east, and southeast, and the San Gabriel River to the west. The Coastal Plain area generally consists of alluvial materials deposited by the Los Angeles, San Gabriel, and Santa Ana Rivers during the late Pleistocene.

In the site vicinity, the Santa Fe Springs Plain consists of the late Pleistocene alluvium of the Lakewood Formation. The Lakewood Formation consists of interbedded clays, silts, silty sands, and sands representative of stream-type alluvial and flood-plain deposits.

2.3 Groundwater

As further discussed in Section 3.2, Powerine Oil Company (Powerine) operated the Powerine Refinery, located immediately northwest of the site on the northwest corner of the intersection of Bloomfield Avenue and Lakeland Road. Large aboveground storage tanks (ASTs) associated with the refinery were also located immediately north of the site and beyond Lakeland Road. The Powerine Refinery operated from at least 1958 through approximately 1984. In 1998, Cenco purchased Powerine. Cenco is currently dismantling the refinery.

Under the direction and oversight of the California Regional Water Quality Control Board, Los Angeles Region (RWQCB), Cenco conducts semi-annual groundwater monitoring on the former Powerine Refinery property and on properties in the immediate site vicinity. As part of the groundwater monitoring events, seven groundwater monitoring wells were formerly located on the Walker Property (Figure 2). Following acquisition of the property by Bloomfield Partners, LLC, three groundwater wells were abandoned due to their location beneath proposed building footprints. Prior to abandonment activities, authorization was obtained from the RWQCB. Groundwater monitoring activities have been conducted since approximately 1989.

Three groundwater monitoring wells, two older wells designated EW-1 and W-1 and one newly installed well designated W-16, are located on Parcel 1 (Figure 2). Based on the most recent groundwater monitoring report provided on GeoTracker (first quarter of 2012), groundwater was measured in January/February 2012 at a depth of approximately 109 feet below the ground surface (bgs, Murex Environmental, Inc. [Murex], 2012). Historical groundwater data collected from monitoring well W-1 from 1996 through 2002 reported

groundwater at depths ranging from approximately 90 to 97 feet bgs. Groundwater gradient is reported in a southwesterly direction (Versar, 2001; TRC, 2002).

In 2007, Cenco installed monitoring well W-16 located immediately south of the PCB Capped Area (Figure 2). Laboratory results of groundwater collected from this well during the latest sampling event (February 2012) indicated concentrations of gasoline (up to 250 micrograms per liter [ug/l]), benzene (up to 30 ug/l), trichloroethene (TCE, up to 1.4 ug/l), trans-1,2-dichloroethene (trans-1,2-DCE, up to 24 ug/l), cis-1,2-DCE (up to 54 ug/l), 1,1-DCE (2.8 ug/l), and 1,1-dichloroethane (1,1-DCA, up to 17 ug/l). These concentrations are consistent with constituents detected in groundwater monitoring well W-1 located approximately 90 feet west of the PCB Capped Area (Figure 2). Based on the results of the groundwater monitoring activities, the source of the impacted groundwater beneath the site has been reported to be the off-site Powerine Refinery and possibly other off-site sources. In the DTSC Certification letter, it was concluded that the former Walker Property had not contributed to the groundwater contamination (Appendix A).

3 BACKGROUND AND CHRONOLOGY OF SITE ACTIVITIES

The following presents the site background and a chronology of site activities. A summary of these activities is also presented on Table 1.

3.1 Site Description

The site is referred to as Parcel 1 of the Bloomfield Business Center and comprises approximately 5-acres of land located at 11020 Bloomfield Avenue in the city of Santa Fe Springs, California (Figure 2). The site is located on the southeast corner of the intersection of Bloomfield Avenue and Lakeland Road and is bounded by Bloomfield Avenue to the west; Lakeland Road to the north; railroad tracks to the east; and Parcel 2 of the Bloomfield Business Center to the south (Figure 2). The site boundary information was obtained during a site reconnaissance by Ardent and a site plan provided in the first Five-Year Review.

At the time of our site visit, three warehouse buildings were occupying the Bloomfield Business Center. The Bloomfield Business Center is divided into three parcels containing three buildings. Parcel 1 contains an approximately 85,000-square foot warehouse building referred to as Building 1; Parcel 2 is located immediately south of the site and contains an approximately 240,000-square foot warehouse building referred to as Building 2; and Parcel 3 is located south of Parcel 2 and contains an approximately 131,000-square foot warehouse building referred to as Building 3 (Figure 2).

3.2 Former Land Uses of the Site and Surrounding Areas

In approximately 1965 or earlier, the western portion of the site was leased to Lakewood Oil Service (Lakewood). Lakewood operations included picking up oil and storing used crank-case motor oils and other waste oil until the oils could be recycled. Lakewood also used vacuum trucks to pick up materials from off site washdown sumps and used oils from various industries. During the 1960s and the 1970s, Lakewood leased three aboveground storage tanks (ASTs) on the western portion of the site to Refining Associates for use as a waste-oil transfer facility. Several companies would transfer waste oil into a 12,000-gallon underground storage tank (UST) located adjacent to the ASTs. The waste oil was pumped from the UST, through various filters, and was stored in the ASTs for eventual resale. Lakewood filed for bankruptcy and vacated the property in 1983.

The eastern portion of the site and properties southeast of the site (Parcels 2 and 3) were a naturally occurring drainage area that was historically used to deposit drilling fluids and muds from the surrounding oil field activities. In 1967, the former drilling mud sumps were excavated, dried, and mixed with clean soil and recompact.

Powerine operated the Powerine Refinery, located immediately northwest of the site and across the intersection of Lakeland Road and Bloomfield Avenue. The Powerine Refinery operated since at least 1958. In 1968, Powerine leased the land located in the southwestern portion of the former Walker Property (currently Parcel 3) to store jet fuel and gas oil in two 80,000-barrel ASTs. Pipelines traversing along Bloomfield Avenue delivered the petroleum

hydrocarbon products to the ASTs from at least 1971 through 1983. During this time, the southeastern portion of the Walker Property (Parcels 2 and 3) was used to load and unload railcars of petroleum hydrocarbon products. In 1984, Powerine filed for bankruptcy and in 1998, Cenco purchased the assets and liabilities from Powerine. The property located immediately north of the site and beyond Lakeland Road has also been used by Powerine to store petroleum hydrocarbon products in large ASTs. Currently the refinery and ASTs are being dismantled and sold. Cenco also purchased the former Walker Property in 1998.

The remaining properties surrounding the site and the former Walker Property have been used mainly for commercial purposes. The property immediately west of the site and beyond Bloomfield Avenue is occupied by the Los Angeles Center for Alcohol and Drug Abuse, the Phoenix House, and The Family Foundation. Further southwest of the site and beyond Bloomfield Avenue is the Metropolitan State Hospital (a psychiatric hospital) which has been located on this property since the early-1900s. In general, the facilities in the site vicinity have not changed since the PCB Capped Area was implemented.

3.3 History of Investigations and Remedial Action

The following presents a summary of the environmental investigations, subsequent remedial actions, and recent redevelopment activities in the vicinity of the PCB Capped Area. A complete chronicle of the site activities is presented in Table 1.

3.3.1 Discovery of PCB-Impacted Soil and Subsequent Investigations

In July 1985, Dames & Moore completed a preliminary investigation in the vicinity of possible environmental concerns. As part of this investigation, four soil borings were drilled in the area of the 12,000-gallon UST and ASTs associated with the former oil recycling facility located on the western portion of the site (TRC Environmental Consultants, Inc. [TRC], 1990). Laboratory results indicated concentrations of volatile organic compounds (VOCs, namely 1,1-DCA, 1,1,1-trichloroethane [1,1,1-TCA], TCE, and tetrachloroethylene [PCE] up to 32 milligrams per kilogram [mg/kg]), PCBs (94 mg/kg), and lead (1,450 mg/kg).

During removal of the 12,000-gallon waste oil UST by Dames & Moore in October 1986, stained soil was noted within the excavation and laboratory results of confirmation samples collected within the excavation indicated concentrations of PCBs (up to 248 mg/kg) and lead (up to 1,100 mg/kg) ([TRC], 1990).

In October and November 1986, Dames & Moore conducted an additional subsurface investigation throughout the area formerly occupied by Lakewood to further assess the lateral extent of the PCB and metal-impacted soil. This investigation included the excavation of 33 test pits in the vicinity of the UST and ASTs (TRC, 1990). Laboratory results indicated concentrations of PCBs (up to 200 mg/kg), lead (up to 2,470 mg/kg), and copper (up to 5,140 mg/kg). Based on these investigations, Dames & Moore defined the lateral extent of impacted soil as being limited to the area immediately adjacent to the UST and ASTs formerly used by Lakewood (TRC, 1990). The vertical extent was assessed to be less than 15 feet bgs.

In October 1989, an additional subsurface investigation was completed in the area of the former oil recycling facility by TRC to verify the findings of Dames & Moore. This investigation included drilling nineteen soil borings in the vicinity of the former UST and ASTs to depths of up to 50 feet bgs. Selected soil samples were analyzed for PCBs and laboratory results indicated concentrations up to 240 mg/kg at approximately 5 feet bgs (TRC, 1990). Deeper soil samples (greater than 15 feet bgs) indicated no detectable concentrations of PCBs. Based on this information, TRC concurred with Dames & Moore's conclusion that the lateral and vertical extent of impacted soil was limited to the area immediately adjacent to the former UST and ASTs.

In 1993, Harding Lawson Associates (HLA) was retained to conduct additional soil sampling in the vicinity of the former oil recycling facility and other areas throughout the former Walker Property. The results of this investigation were presented in a Remedial Investigation (RI) report dated August 1995. Based on soil borings drilled in the vicinity of the former on-site UST and ASTs, elevated concentrations of heavy

petroleum hydrocarbons (up to 13,000 mg/kg) were detected in shallow soils (i.e., less than 15 feet bgs).

3.3.2 Groundwater Investigations

During these early investigations, one groundwater monitoring well (designated W-1) was installed approximately 90 feet west of the former oil recycling facility (Figure 2). In 2007, Cenco installed groundwater monitoring well W-16 located immediately south of the PCB Capped Area (Figure 2). Groundwater has been measured from these wells at depths ranging from 90 to 109 feet bgs. Groundwater gradient, as calculated from other wells in the vicinity of the site, has been reported in a southwesterly direction. Although low concentrations of petroleum hydrocarbons and VOCs have been detected in groundwater samples collected from these wells, the concentrations and constituents detected are similar to other samples collected from close by wells. Based on this information, the low concentrations of petroleum hydrocarbons and VOCs are assumed to be the result of an off-site source (i.e., the Powerine Refinery located approximately 150 feet northwest of the site). These wells are currently being monitored by Cenco (current owners of the Powerine Refinery) as part of a larger localized groundwater investigation associated with the Powerine Refinery.

3.3.3 Health and Environment Risk Evaluations

Based on regulatory guidelines, some of the constituents detected in shallow soil at the site would be considered elevated. Because PCBs, petroleum hydrocarbons, and lead migrate slowly in soil; VOCs dissipate quickly in shallow soil; the concentrations are well defined within the upper 15 feet; and depth to groundwater has been reported at approximately 100 feet bgs at the site, TRC prepared a Preliminary Endangerment Assessment (PEA) Report in 1990 that evaluated possible health and environmental risks associated with the impacted soil. The PEA was prepared and submitted to the DTSC and concluded that the constituents detected at the site did not pose an immediate potential threat to public health or the environment.

In 1995 and as part of a RI, HLA prepared a more detailed Baseline Health Risk Assessment (BHRA) which evaluated the possible health and environmental effects of the constituents detected based on possible exposure routes. Based on the results, it was concluded that health and environmental risk were minimal. As part of the first Five-Year Review, the BHRA was reevaluated by Ms. Copeland to assess changes in land use, receptors or pathways, new contamination sources, and toxicity factors. Although there have been changes in some exposure parameter values for inhalation, dermal contact, and soil ingestion pathways since the issuance of the BHRA, the changes do not affect the characterization of potential risk due to the fact that these exposure pathways have been eliminated by the installation of the PCB Capped Area.

3.3.4 Mitigation Measures and Site Certification

In 1996, Environmental Strategies Corporation prepared a Feasibility Study (FS) that evaluated and screened several remedial technologies based on constituents and concentrations detected, costs, geological and hydrogeological conditions, and other factors. The FS concluded that an asphalt cap/deed restriction was technically feasible as a viable mitigation measure (Environmental Strategies Corporation, 1996). Based on this information, Environmental Strategies Corporation prepared a Remedial Action Plan (RAP) in 1997 that outlined the proposed implementation of the asphalt cap.

The DTSC was presented with the RI and BHRA by HLA, and the FS and RAP by Environmental Strategies Corporation for review. In a letter dated June 13, 1997, the DTSC approved the asphalt cap and deed restriction mitigation measure. Santochi & Bravante LLC subsequently prepared and submitted a Remedial Design and Implementation Plan dated January 15, 1998 to DTSC which presented the design specifications for the proposed asphaltic cap. Based on its review, the Remedial Design and Implementation Plan was approved by DTSC and the asphalt cap was constructed (Figure 2). Following construction of the asphalt cap and recording of

the deed restriction, the DTSC issued a certification dated September 8, 1998 indicating no further action was needed. A copy of the certification and deed restriction is provided in Appendix A.

The deed restriction was recorded with the County of Los Angeles on August 27, 1998 and restricts land use of the PCB Capped Area to industrial or commercial use. The DTSC certification requires annual inspections of the cap and a Five-Year Review and Evaluation of the remedy. Ninyo & Moore completed an annual inspection of the cap in March 2002 and concluded that the PCB cap was in good condition and required no maintenance or correction at that time (Ninyo & Moore, 2002). In 2003, Ninyo & Moore completed the first Five-Year Review which also concluded that the cap remained effective and the site continued to pose no significant health risks.

3.3.5 Remedial Actions Completed

As discussed in Section 3.3.4, the asphaltic cap was constructed in June 1998 in general accordance with the Remedial Design and Implementation Plan prepared by Santochi & Bravante LLC.

3.3.6 Legal and Regulatory Documentations

On July 10, 1998, a Consent Order was issued by the DTSC to Texaco and BC Santa Fe Springs, LLC to comply with the RAP dated June 13, 1997. The Consent Order included a scope of work to implement the remedy, a summary of future work (i.e., the completion of yearly inspections and five-year reviews), and a covenant not to sue. The Consent Order was subject to a public comment period of 30 days, at which time no comments were received.

Following implementation of the asphaltic cap, a deed restriction was recorded with the County of Los Angeles on August 27, 1998 restricting land use of the PCB Capped Area for industrial or commercial purposes. The DTSC subsequently issued a certificate indicating that no further action was needed on September 8, 1998.

3.3.7 Recent Site Redevelopment

Prior to redevelopment of the former Walker Property, Ninyo & Moore prepared a Pipeline Removal Plan and Soil Management Plan that outlined the procedures for managing petroleum hydrocarbon impacted soil that might be encountered during grading and pipeline removal activities. The pipeline removal and grading activities were conducted under the oversight of the Santa Fe Springs Fire Department (SFSFD).

A trench was excavated in July 2002 around the PCB Capped Area to assess the location of unknown underground pipelines. Discovered pipelines were cut and capped at the perimeter of the PCB Capped Area. The pipelines were cut so grading equipment would not pull on the pipelines and possibly damage the asphalt cap. Pipelines were also removed from the perimeter of the former Walker Property.

Grading activities commenced in October 2002 and continued through November 2002. During this time, Ninyo & Moore conducted South Coast Air Quality Management District (SCAQMD) air monitoring and visual inspections. During grading activities, a chain-link fence was placed around the PCB Capped Area that prevented parking and storage on the asphalt cap. Due to the close proximity of proposed Building 1 to the PCB Capped Area, Ninyo & Moore was also present during excavation of the footings associated with proposed Building 1. Following completion of the pipeline removal and grading activities, Ninyo & Moore prepared a Pipeline Closure Report and a Grading Report that were submitted to the SFSFD. The SFSFD issued a no further action letter dated July 9, 2003.

During completion of the first Five-Year Review, Building 1 was being constructed. The PCB Capped Area remained whole; all utilities were diverted around the cap. In 2003, soon after completion, R&H Investments purchased the property.

4 REMEDIAL ACTIONS

The following presents the remedial objectives, remedy description, remedy implementation, and regulatory status.

4.1 Objectives

The objective of the remedy is to limit human exposure to concentrations of chemicals detected in the shallow soil and to slow the migration of these contaminants through the underlying media.

4.2 Remedy Description

The PCB Capped Area measures approximately 100 feet in an east-west direction, and approximately 160 feet in a north-south direction (Figure 2). The cap covering the contaminated soil consists of approximately eight inches of compacted fill, six inches of crushed rock base, and five inches of asphaltic concrete (Geobase, Inc. [Geobase], 1998). Once complete, the asphaltic cap was approximately 3 feet above the surrounding grade (Geobase, 1998).

4.3 Remedy Implementation

The PCB Capped Area was constructed in June 1998 by Geobase in general accordance with the planned design outlined in the Remedial Design and Implementation Plan prepared by Santochi & Bravante LLC, dated January 1998.

According to Geobase, the area where the cap was to be placed was first scarified and compacted. Fill soils were placed in a single eight-inch lift, brought to optimum moisture, and compacted to a minimum of 90 percent maximum density. Aggregate base was then placed in a six-inch lift, brought to optimum moisture, and compacted to a minimum of 95 percent relative compaction. A five-inch layer of asphaltic concrete was then placed above the aggregate and compacted to a minimum of 95 percent maximum density (Geobase, 1998).

4.4 Regulatory Actions

Following completion of the remedy, the DTSC issued a certification indicating no further action was needed. The Consent Order indicates that yearly inspections and five-year reviews of the PCB Capped Area will be completed.

4.5 Review of Yearly Inspections

In 1999, the DTSC issued a letter to Cenco informing Cenco that an annual inspection of the PCB Capped Area was overdue (DTSC, 1999). According to Mr. Gebert, no annual inspection was completed in 1999. In March 2000, Cenco completed the first annual inspection. Based on the results of the inspection, Cenco concluded that no signs of raveling, alligator cracks, upheaval, pot holes, grade depressions, or other unusual conditions were noted (Cenco, 2000). In November 2001, Cenco completed another yearly inspection with conclusions similar to the 2000 inspection (Cenco, 2001). The 2001 inspection letter indicated that herbicides were to be used along the edge of the cap to control small areas of grasses.

Following acquisition of the property by Bloomfield Partners, LLC in 2002 from Cenco, Ninyo & Moore completed a yearly inspection of the PCB Capped Area. The work was completed in March 2002 and included conducting a visual inspection of the cap. Ninyo & Moore divided the capped area into nine equally spaced divisions and slowly walked the length of the cap along each division (Ninyo & Moore, 2002). Based on our observation, some minor “alligator cracks” were observed in the southeastern corner of the cap (Ninyo & Moore, 2002). Overall, the cap appeared to be in good condition as defined in Section 2.6 of the Remedial Design and Implementation Plan and no major deficiencies were noted that would require maintenance or correction (Ninyo & Moore, 2002). As stated in Section 5.2, the PCB Capped Area has since been asphalt slurried as part of the current site redevelopment activities. Since acquisition of the property in 2003, R&H Investments have not completed any annual inspections.

5 FIVE-YEAR REVIEW

The following presents the results of the five-year review and evaluation of the PCB Capped Area.

5.1 Administrative Components

The Administrative Components of the Five-Year Review and Evaluation included the notification of interested parties, identification of the five-year review team members, and an outline for future yearly inspections and five-year reviews.

5.1.1 Notification of Interested Parties of Review Process

Ardent verbally notified the site owner (R&H Investments) of the site inspection and review process. Because the cap has not been modified since implementation, the surrounding property uses have not changed, and due to the fact that no public feed back was obtained during the initial public notification conducted prior to implementation of the cap, no public notification was deemed necessary by the DTSC and Ardent for this Five-Year Review.

5.1.2 Identification of Five-Year Review Team Members

Mr. Paul Roberts of Ardent conducted the inspection of the PCB Capped Area, performed the background research, and conducted project oversight and quality review. Mr. Roberts also conducted the evaluation of current receptors, exposure pathways, and toxicity criteria as compared with those employed in the BHRA and previous five-year reviews.

5.1.3 Outline Future Yearly Inspections

Table 2 presents a schedule for future yearly inspections and five-year reviews. The yearly inspections will be completed in March of each year and the scope of work will be similar to the previous yearly inspections. The five-year reviews will include updating the information provided in this report, and evaluating the regulatory standards and exposure pathways.

The then current property owner will be responsible for maintaining the PCB Capped Area (i.e., conducting periodic resurfacing), repairing damaged areas to the cap, and conducting annual inspections and five-year reviews.

5.2 Site Inspections

On June 2, 2012, Ardent completed a site visit to inspect the integrity of the PCB Capped Area and to assess site conditions. Since the cap area is currently part of a larger parking lot area used by employees of Building 1, the site inspection was completed on a Saturday. At the time of the site visit, no automobiles were in the parking lot area and the cap was clear of obstructions. Color photographs of the site and the PCB Capped Area are presented in Appendix B.

On the day of the inspection, the weather was cloudy and cool with a temperature of approximately 61 degrees Fahrenheit. The cap was divided into approximately nine equally spaced divisions (designated A through I) that were approximately 10 feet apart (Figure 3). To observe the integrity of the cap, Ardent personnel slowly walked the length cap along the divisions as shown on Figure 3. Overall, the cap appeared to be in good condition as defined in Section 2.6 of the Santochi & Bravante LLC's 1998 Remedial Design and Implementation Plan with little to no cracking observed. Based on the results of this inspection, no deficiencies were noted that would require maintenance or correction.

5.3 Data Review and Evaluation

A data review and evaluation was conducted to assess changes in standards and assumptions used during the time the remedy was selected. This evaluation was conducted to assess:

- Changes in land use or the anticipated land use on or near the site;
- New human health or ecological receptors or exposure pathways;
- New contaminants or contaminant sources; and
- Changes in exposure parameters or toxicity factors.

5.3.1 Changes in Land Use On or Near the Site

As discussed herein, no significant changes in the surrounding land use have taken place since the installation of the PCB Capped Area called for by the RAP. Although the site has been redeveloped for commercial use, the PCB Capped Area has remained untouched and has since been constructed as part of a parking lot associated with Building 1.

5.3.2 New Human Health or Ecological Receptors or Exposure Pathways

The PCB Capped Area was constructed following issuance of the BHRA and therefore eliminated the complete exposure pathways (inhalation, dermal contact, and ingestion) associated with non-volatile contaminants. Following construction of the PCB Capped Area, no new human health exposure pathways or receptors were identified. Because the site and surrounding area were developed and did not support wildlife habitat, ecological receptors were not evaluated during the BHRA. The site and surrounding area continue to be developed properties.

5.3.3 New Contaminants or Contaminant Sources

Because the PCB Capped Area has not been modified since implementation, no new contaminants or contaminant sources have been discovered. All utilities for Building 1 were diverted around the capped area, and no cutting of the cap or excavation of soils beneath the cap have been conducted or are planned.

5.3.4 Changes in Exposure Parameters or Toxicity Factors

During completion of the first Five-Year Review, Ninyo & Moore concluded that exposure parameter values, exposure models, and toxicity values of some chemicals had changed since completion of the original BHRA. However, the changes do not affect the characterization of potential risk due to the fact that these exposure pathways and toxicity criteria have been eliminated by the installation of the PCB Capped Area. In addition, due to the site location within the Santa Fe Springs Methane Zone associated with the Santa Fe Springs Oil Field, the commercial buildings

located within the Bloomfield Business Center were constructed with passive methane gas barriers.

6 TECHNICAL ASSESSMENT

The following questions are outlined in the USEPA Comprehensive Five-Year Review Guidance document. The answers to the questions are based on the results of this Five-Year Review. The complete Five-Year Review Summary Form is presented in Appendix C.

- Question A: Is the remedy functioning as intended by the decision document?
 - Answer to Question A: Yes. The remedy has not been modified or changed.
- Question B: Are the exposure assumptions, toxicity data, cleanup levels, and remedial action objectives (RAOs) used at the time of the remedy selection still valid?
 - Answer to Question B: Yes. Although some toxicity criteria and exposure parameters have changed since the original BHRA, exposure pathways were eliminated due to the installation of the PCB Capped Area called for by the RAP. In conclusion, human health and the environment are still being protected by the remedial action implemented at the PCB Capped Area, the cap remains effective, the land use controls remain in place and are being complied with, and the site continues to pose no significant health risk.
- Question C: Has any other information come to light that could call into question the protectiveness of the remedy?
 - Answer to Question C: No.

7 ISSUES

No issues were identified during the technical assessment and other five-year review activities.

8 RECOMMENDATIONS AND FOLLOW-UP ACTIONS

Based on the information provided in this evaluation, current regulatory guidelines and our professional judgment, the following recommendations and follow-up actions are presented:

- The then current owner of the site should continue to conduct annual inspections and five-year reviews of the PCB Capped Area in accordance with the schedule presented in this report. These reports should be submitted to the DTSC for review.
- The then current owner of the site should maintain the integrity of the PCB Capped Area by conducting periodic maintenance of the parking lot and capped area.

9 PROTECTIVENESS STATEMENT

Based on the information obtained during this review and evaluation, the following Protectiveness Statement, as outlined in the EPA Comprehensive Five-Year Review Guidance document, is provided:

- Because the remedial action at the PCB Capped Area is protective, the site is protective of human health and the environment.

10 NEXT REVIEW

As presented in Table 2, the next scheduled five-year review will be completed in June 2017.

11 SELECTED REFERENCES

- CalEPA/OEHHA, 2003, Toxicity Database, Office of Environmental Health Hazard Assessment (website: www.oehha.ca.gov/risk/chemicalDB/).
- Cenco Refining Company, 2000, Inspection of the Asphalt Cap at the Former Walker Property: Letter to the Department of Toxic Substances Control, Glendale, California, dated March 10.
- Cenco Electric Company, 2001, Inspection of the Asphalt Cap at the Former Walker Property: Letter to the Department of Toxic Substances Control, Glendale, California, dated November 14.
- Department of Toxic Substances Control (DTSC), 1998a, Walker Property Site: Work Party Consent Order (Order): Approval letter for the Consent Order to Allen, Matkins, Leck, Gamble & Mallory, LLP, Irvine, California, dated July 10.
- Department of Toxic Substances Control (DTSC), 1998b, Walker Property Site (Site): Certification: Certification letter to BC Santa Fe Springs, LLC, Newport Beach, California and Texaco, Inc., Universal City, California, dated September 8.
- Department of Toxic Substances Control (DTSC), 1999, Former Walker Property Site, Corner of Lakeland Avenue and Bloomfield Avenue, Santa Fe Springs, California: Annual Cap Inspection: Letter to Cenco Refining Company, Santa Fe Springs, California, dated November 24.
- Environmental Strategies Corporation, 1996, Feasibility Study, Walker Property Site, dated April 1.
- Environmental Strategies Corporation, 1997, Draft Remedial Action Plan, Walker Property Site, dated March 28.
- Gebert, Richard, 2003, Case Handler Department of Toxic Substances Control (DTSC): Oral communications.
- Geobase, Inc., 1998, Compaction Report – Pad Construction, Southeast Corner of Lakeland Road and Bloomfield Road, Santa Fe Springs, California: Letter report prepared for Harding Lawson Associates, Irvine, California, dated June 30.
- Harding Lawson & Associates, 1995, Remedial Investigation Walker Property Site, Santa Fe Springs, California Volumes I, II, IV, dated August 25.
- Murex Environmental, Inc. (Murex), 2012, First Quarter 2012 Groundwater Monitoring Report, Former Cenco Refinery, 12345 Lakeland Road, Santa Fe Springs, California: Report prepared for Isola Law Group, LLP, Lodi, California, dated March 31.

- Ninyo & Moore, 2002, Asphaltic Concrete Cap Inspection, Walker Property, Santa Fe Springs, California: Letter report prepared for SARES-REGIS Group, Irvine, California, dated March 25.
- Ninyo & Moore, 2003, First Five-Year Review and Evaluation of the PCB Capped Area, Former Walker Property, Current Bloomfield Business Center, 11020 Bloomfield Avenue, Santa Fe Springs, California: Report prepared for Bloomfield Partners, LLC, Irvine, California, dated August 8.
- Santochi & Bravante LLC, 1998, Remedial Design and Implementation Plan (Plan), Performed at Walker Property Site Located on the Southeast Corner of Bloomfield Avenue and Lakeland Road, Santa Fe Springs, California: Report prepared for BC Santa Fe Springs LLC, Newport Beach, California, dated January 15.
- TRC Environmental Consultants, Inc. (TRC), 1990, Environmental Investigations of Walker-Turner Property, Bloomfield Avenue and Lakeland Road, Santa Fe Springs, California, dated January 19.
- TRC Environmental Consultants, Inc. (TRC), 2002, Semi-Annual Groundwater Monitoring Report, May 2002 Monitoring Event, Cenco Refining Company (Formerly Powerine Oil Company), Santa Fe Springs, California, dated September 16.
- Versar, Inc., 2001, Draft Semi-Annual Groundwater Monitoring Report, February 2001 Monitoring Event, Cenco Refining Company (Former Powerine Oil Company), Santa Fe Springs, dated May 4.
- United States Environmental Protection Agency (USEPA), 2001, Comprehensive Five-Year Review Guidance, dated June.
- United States Environmental Protection Agency (USEPA), 2003, Integrated Risk Information System (IRIS) (website: www.epa.gov/iris/).

Table 1 – Chronology of Site Activities

Date	Site Activity
Approximately 1965 through 1983	The northwestern portion of the Walker Property was occupied by Lakewood Oil Services (Lakewood). Lakewood operated an oil transfer station or oil recycling facility that used a 12,000-gallon underground storage tank (UST) and at least three aboveground storage tanks (ASTs). Several companies would transfer waste oil into the 12,000-gallon UST. The waste oil would then be pumped from the UST, through various filters, and was stored in the ASTs prior to eventual resale.
Approximately 1983 through 1985	Lakewood filed for bankruptcy in 1983 or 1984; bankruptcy proceedings concluded in 1985.
July 1985	Dames & Moore completed a preliminary investigation throughout the Walker Property to assess possible environmental concerns. Four soil borings were drilled in the area of the 12,000-gallon UST and ASTs formerly used by Lakewood. Laboratory results indicated concentrations of volatile organic compounds (VOCs), polychlorinated biphenyls (PCBs, up to 94 milligrams per kilogram [mg/kg]) and lead (1,450 mg/kg).
September 18, 1986	Dames & Moore removed the 12,000-gallon UST under direction of the Los Angeles County Department of Public Works (LADPW). Laboratory results of confirmation samples indicated PCBs up to 248 mg/kg and lead up to 1,100 mg/kg.
October and November 1986	Dames & Moore conducted an extensive investigation throughout the area formerly occupied by Lakewood. This investigation included excavating 33 test pits. Laboratory results indicated concentrations of PCBs up to 200 mg/kg, lead up to 2,470 mg/kg, and copper up to 5,140 mg/kg. The lateral extent of impacted soil was defined as the area immediately in the vicinity of the former UST and AST, and the vertical extent was limited to approximately 15 feet below the ground surface (bgs).
January 1989	EMCON Associates installed two groundwater monitoring wells (designated EW-1 and EW-2) on the Walker Property. Well EW-1 is located in the northeastern corner of the site and EW-2 is located in the south-central portion of the former Walker Property (on Parcel 3).
October 1989	TRC completed an additional investigation to verify Dames & Moore's results. Nineteen soil borings were drilled in the vicinity of the former oil recycling facility to depths of up to 50 feet bgs. Based on the results of chemical analyses, TRC concurred with Dames & Moore's findings. TRC also installed three groundwater monitoring wells (designated W-1 through W-3) on the former Walker Property. Well W-1 is located on-site approximately 90 feet west of the PCB-impacted soil.

Table 1 – Chronology of Site Activities

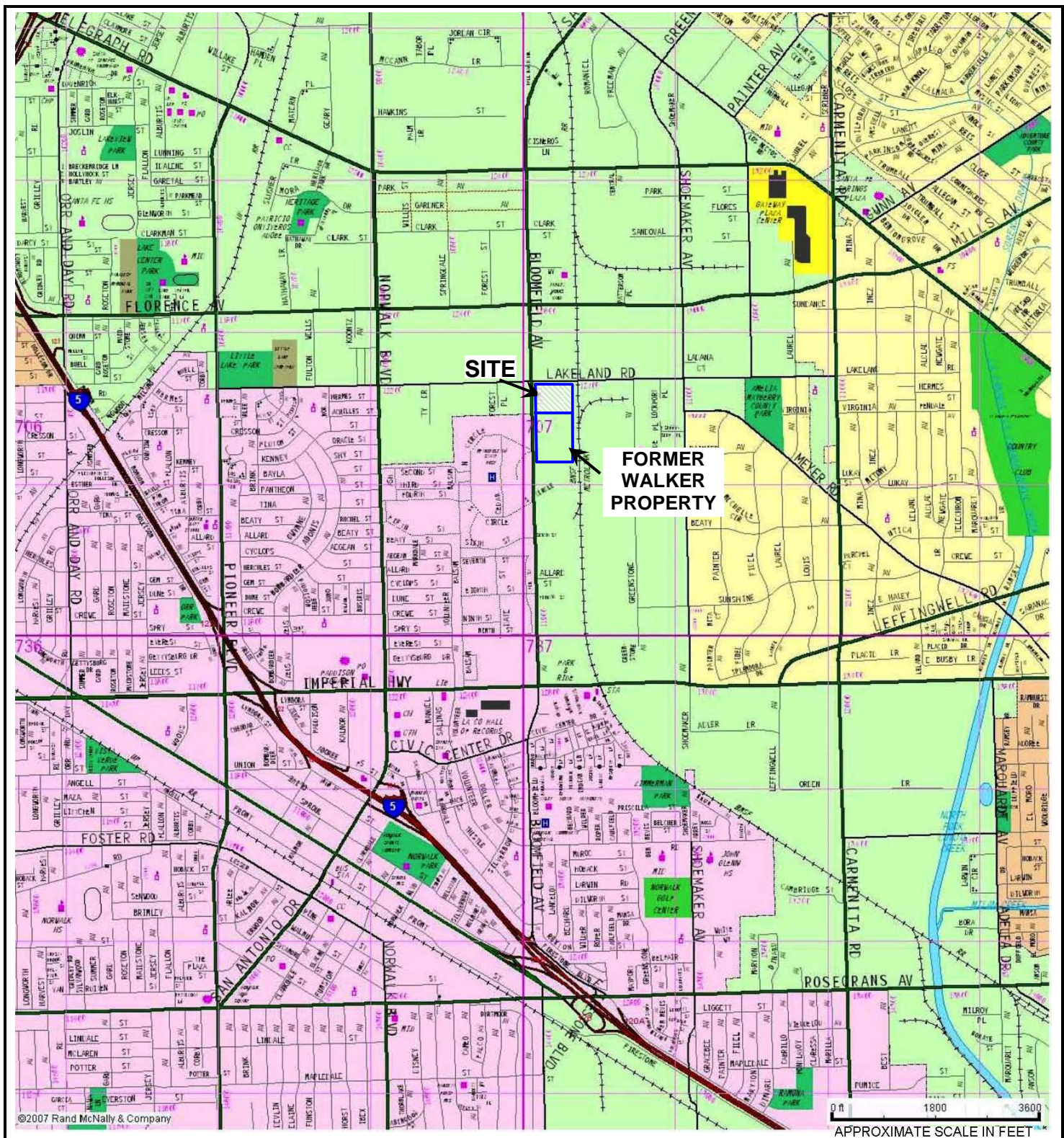
Date	Site Activity
July 1990	TRC completed a Preliminary Endangerment Assessment (PEA) Report for submittal to the Department of Toxic Substances Control (DTSC). The PEA concluded that the constituents detected at the site do not pose an immediate potential threat to public health or the environment.
October 26, 1992	DTSC issued a First Amended Imminent and Substantial Endangerment Order (I&SE Order) to Walker, Texaco, Four-Star Oil and Gas Company, and Lakewood. The I&SE Order identified two areas of the site for investigation and remediation: the area formerly occupied by Lakewood, and the eastern portion of the site that was formerly occupied by railroad spurs used to load and unload rail cars. Texaco and Four-Star Oil and Gas Company are the only named Potential Responsible Parties (PRPs).
1993	Harding Lawson Associates (HLA) conducted a limited soil sampling investigation in the vicinity of the PCB-impacted soil. Laboratory results indicated elevated concentrations of petroleum hydrocarbon (up to 13,000 mg/kg) in shallow soil (less than 15 feet bgs). The results of this investigation were presented in the Remedial Investigation (RI) report dated August 1995.
October 13, 1993	HLA prepared the Lakewood Section Tank Waste Removal and Decommissioning Plan that was subsequently approved by DTSC on November 1, 1993.
December 1993 through January 1994	HLA decommissioned four ASTs formerly used by Lakewood. The materials were removed, transported and disposed, and the tanks were demolished. Work was conducted under the oversight of DTSC.
August 25, 1995	In response to the DTSC I&SE Order dated October 1992, HLA prepares a Remedial Investigation (RI) report and a Baseline Health Risk Assessment (BHRA). The RI and BHRA target the two areas of concern outlined by DTSC. Based on the results, the BHRA concludes that health and environmental risk were minimal.
April 1, 1996	Environmental Strategies Corporation prepares a Feasibility Study (FS) that concludes that an asphalt cap/deed restriction was technically feasible as a viable mitigation measure.
March 28, 1997	Environmental Strategies Corporation prepares a Remedial Action Plan (RAP) that outlines the proposed implementation of an asphalt cap.
June 13, 1997	DTSC reviews the RI, RA, FS, and RAP, and subsequently approves an asphalt cap and deed restriction.
January 15, 1998	Santochi & Bravante LLC prepare a Remedial Design and Implementation Plan that outlines the proposed design and construction of the asphalt cap.

Table 1 – Chronology of Site Activities

Date	Site Activity
June 1998	Geobase, Inc. constructs the PCB Capped Area.
July 10, 1998	DTSC issues Consent Order, which contains DTSC's Covenant Not to Sue.
August 27, 1998	The deed restriction was recorded with the County of Los Angeles that restricts land use of the PCB Capped Area for industrial or commercial purposes.
September 8, 1998	DTSC issues a certification indicating no further action is needed. The certification requires that annual inspections and five year reviews of the PCB Capped Area be completed.
1998	Cenco Refining Company purchased the Powerine Refinery and the former Walker Property.
November 24, 1999	DTSC issues a letter informing Cenco that an annual inspection of the PCB Capped Area is over due. No annual inspection was completed in 1999.
March 10, 2000	Cenco completes the first annual inspection of the PCB Capped Area. No major deficiencies are noted that would require maintenance or correction.
November 14, 2001	Cenco completes the second annual inspection of the PCB Capped Area. No major deficiencies are noted that would require maintenance or correction.
March, 2002	Ninyo & Moore completes an annual inspection of the PCB Capped Area. No major deficiencies are noted that would require maintenance or correction.
Mid-2002	Bloomfield Partners, LLC purchases the site and starts redevelopment.
April-November 2002	Ninyo & Moore prepares a Soil Management Plan (dated April 4, 2002) and a Pipeline Abandonment Plan (dated May 30, 2002) for submittal and approval by the Santa Fe Springs Fire Department. Pipelines entering or exiting the former Walker Property and PCB Capped Area are cut and capped, and grading activities are completed under the oversight of Ninyo & Moore and the Santa Fe Springs Fire Department.
August 2003	The first Five-Year Review and Evaluation is completed by Ninyo & Moore.
June 2012	The second Five-Year Review is completed by Ardent Environmental Group, Inc.

Table 2 – Future Site Inspection/Evaluation

Date	Type of Inspection/Evaluation
March 2013	Annual Inspection
March 2014	Annual Inspection
March 2015	Annual Inspection
March 2016	Annual Inspection
June 2017	Five-Year Review and Evaluation
March 2018	Annual Inspection
March 2019	Annual Inspection
March 2020	Annual Inspection
March 2021	Annual Inspection
June 2022	Five-Year Review and Evaluation

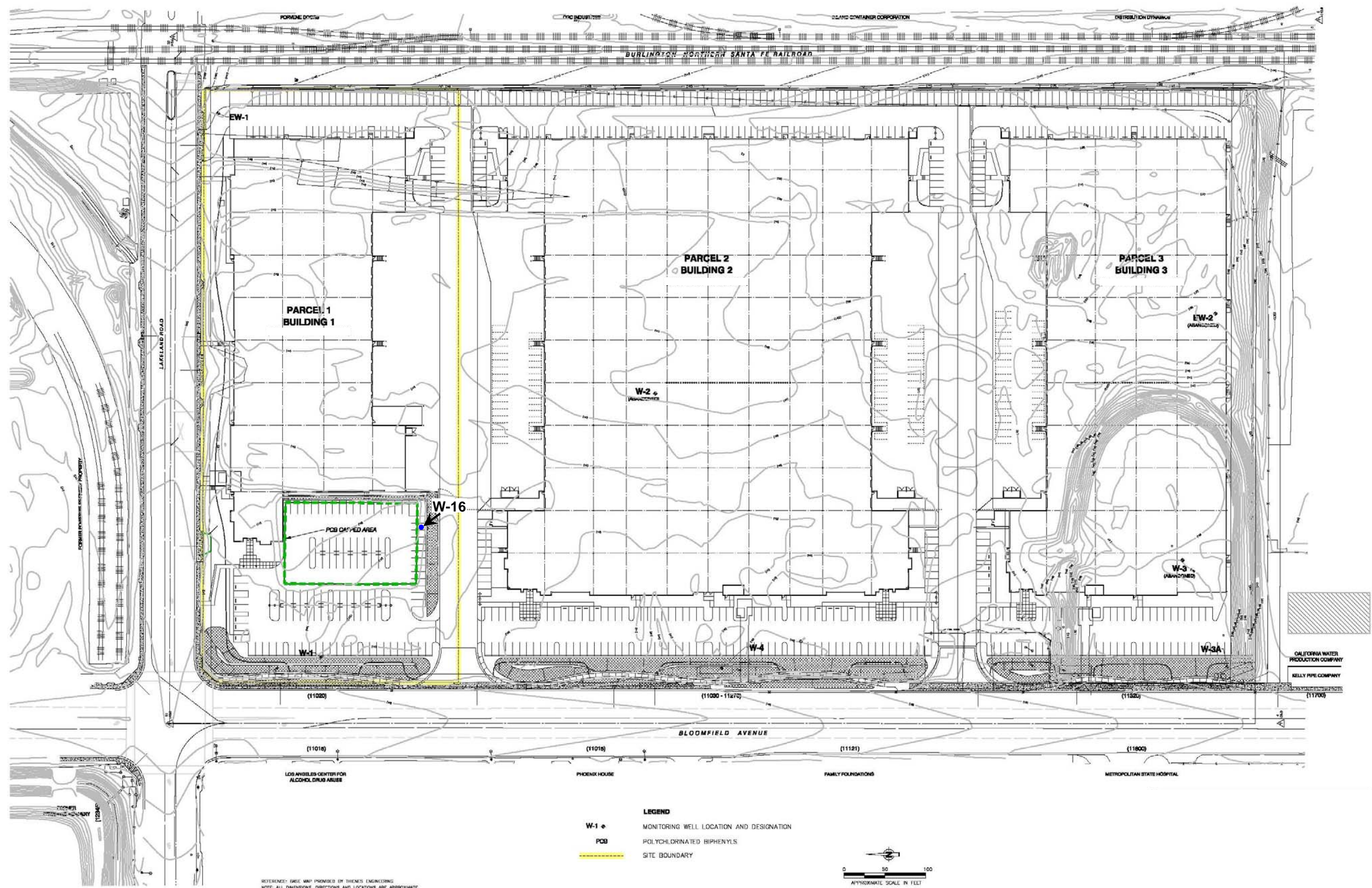


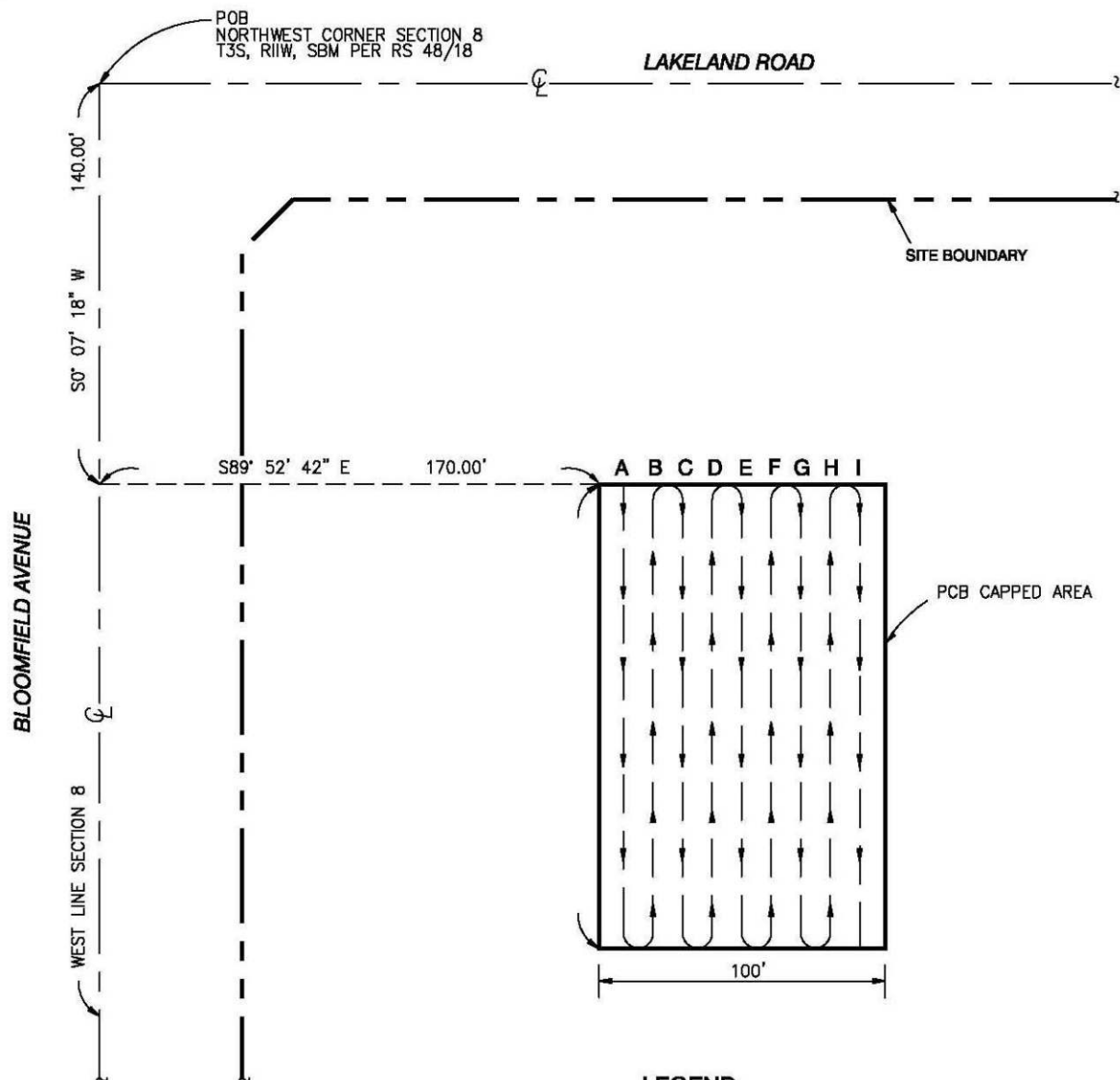
REFERENCE: 2007 RAND MCNALLY DIGITAL EDITION FOR LOS ANGELES/ORANGE COUNTY, STREET GUIDE AND DIRECTORY



NOTE: ALL DIMENSIONS, DIRECTIONS, AND LOCATIONS ARE APPROXIMATE

	PROJECT NO. 100367001	SITE LOCATION MAP 11020 BLOOMFIELD AVENUE SANTA FE SPRINGS, CALIFORNIA	FIGURE 1
	DATE 6/12		



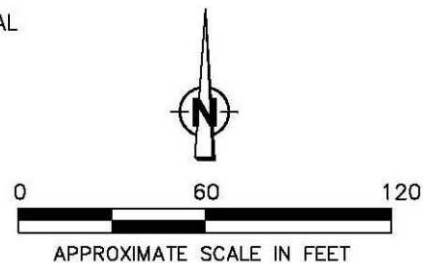


LEGEND

- A SECTION DIVISION
- DIRECTION OF VISUAL OBSERVATION

SOURCE: WILLDAN ASSOCIATES ENGINEERS AND PLANNERS, SKETCH OF THE "AFFECTED PROPERTY" DESCRIBED IN EXHIBIT "D" IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, DATED 7/20/1998.

NOTE: ALL DIMENSIONS, DIRECTIONS AND LOCATIONS ARE APPROXIMATE.



PROJECT NO.
100367001

DATE
6/12

INSPECTION OF PCB CAPPED AREA

11020 BLOOMFIELD AVENUE
SANTA FE SPRINGS, CALIFORNIA

FIGURE

3

APPENDIX A

**COPY OF DTSC CONSENT ORDER
AND CERTIFICATION**



Department of Toxic Substances Control

Jesse R. Huff, Director
1011 N. Grandview Avenue
Glendale, California 91201



Pete Wilson
Governor

July 10, 1998

Peter M. Rooney
Secretary for
Environmental
Protection

Ms. Pamela Andes
Allen, Matkins, Leck, Gamble & Mallory, LLP
18400 Von Karman
Irvine, California 92715

Dear Ms. Andes:

WALKER PROPERTY SITE: WORK PARTY CONSENT ORDER (ORDER)

The 30-day public comment period for the Order for the above referenced site closed July 6, 1998. The Department of Toxic Substances Control (DTSC) did not receive any comments. Pursuant to Section XVII (Public Comment) and Section XVIII (Effective Date) of the Order, DTSC hereby provides BC Santa Fe Springs with express notice that the Order is made final. The Effective Date of the Order begins on the date of this letter.

If you have any questions, please call Richard Gebert at (818) 551-2859 or me at (818) 551-2822.

Sincerely,

Sayareh Amir
Unit Chief
Site Mitigation Cleanup Operations
Southern California Branch A

cc: Mr. Trevor Santochi
Avalon Environmental
20 Corporate Plaza
Newport Beach, California 92660

RECEIVED
7/2/98

ENCLOSURE MEMO

Date: July 1, 1998

Direct: (213) 680-6452
mgonzalez@mdbe.com

To: Pamela L. Andes, Esq.
Allen, Matkins, Leck, Gamble & Mallory
18400 Von Karman
Fourth Floor
Irvine, CA 92715

From: Maria L. Gonzalez
Secretary to Patricia L. Shanks

Re: Walker Property Site, Santa Fe Springs, CA

Enclosed: At the request of Ms. Shanks, is a copy of the signed Consent Order from Cal/EPA, DTSC and a copy of an article in the California Regulatory Notice Register 98, Volume No. 23-Z re Notice of Consent Order Walker Site.

ATTORNEYS AT LAW

355 South Grand Avenue, Suite 4400
Los Angeles, California 90071-1560
Tel. (213) 680-6400 Fax (213) 680-6499
www.mccutchen.com

San Francisco
Los Angeles
Walnut Creek

Palo Alto
Taipei

TABLE OF CONTENTS

I.	TABLE OF CONTENTS	i
II.	COVER PAGE: WALKER PROPERTY SITE - CONSENT ORDER . . .	ii
III.	INTRODUCTION/JURISDICTION	1
IV.	STATEMENT OF PURPOSE	3
V.	DEFINITIONS	3
VI.	STATEMENT OF FACTS.	6
VII.	DETERMINATIONS	10
VIII.	PERFORMANCE OF WORK	11
IX.	FAILURE TO MAKE PAYMENT	12
X.	CERTIFICATION OF RESPONDENTS	12
XI.	GENERAL PROVISIONS	13
XII.	DTSC'S COVENANT NOT TO SUE	22
XIII.	DTSC'S RESERVATION OF RIGHTS.	23
XIV.	RESPONDENTS' COVENANT NOT TO SUE	25
XV.	RESPONDENTS' RESERVATION OF RIGHTS.	26
XVI.	EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION	27
XVII.	PARTIES BOUND/NOTICE TO SUCCESSORS IN TITLE	28
XVIII.	INTEGRATION/APPENDICES	30
XIX.	PUBLIC COMMENT	31
XX.	EFFECTIVE DATE	31
XXI.	LEGAL DESCRIPTION	EXHIBIT 1
XXII.	MAP OF THE SITE	EXHIBIT 2
XXIII.	NOTICE OF PROPERTY TRANSFER	EXHIBIT 3
XXIV.	SCOPE OF WORK	APPENDIX A

STATE OF CALIFORNIA
ENVIRONMENTAL PROTECTION AGENCY
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the matter of:

Walker Property Site

Bloomfield Avenue and Lakeland Road)
Santa Fe Springs, California)

Texaco Inc.,)
BC Santa Fe Springs, LLC,)
Respondents)

Docket No. HSA 97/98-056

CONSENT ORDER

1 I. INTRODUCTION/JURISDICTION

2 1. This Consent Order is issued pursuant to the authority
3 vested in the California Environmental Protection Agency,
4 Department of Toxic Substances Control ("DTSC") by Health and
5 Safety Code Sections 25358.3(a), 25355.5(a)(1)(C), 25360, 58009,
6 and 58010. Section 25358.3(a) of the Health and Safety Code
7 ("H&SC") authorizes DTSC to issue an Order when DTSC determines
8 that there may be an imminent or substantial endangerment to the
9 public health or welfare or to the environment because of a
10 release or a threatened release of a hazardous substance.
11 Section 25355.5(a)(1)(C) of the H&SC authorizes DTSC to enter
12 into an enforceable agreement with a potentially responsible
13 party for the Site which requires the party to take necessary
14 corrective action to remove the threat of the release, or to
15 determine the nature and extent of the release and adequately
16 characterize the Site, prepare a remedial action plan, and
17 complete the necessary removal or remedial actions. Sections
18 25360, 58009, and 58010 of the H&SC authorize DTSC to commence
19 and maintain all proper and necessary actions and proceedings to
20 protect and preserve the public health and to abate public
21 nuisances related to matters within its jurisdiction. This
22 Consent Order is being issued to reach a settlement in the action
23 regarding the 21.32 acres of land located at the southeast corner
24 of Bloomfield Avenue and Lakeland Road in the City of Santa Fe
25 Springs, County of Los Angeles, State of California ("Site").
26 The Site is bounded by Lakeland Road on the north, an Atchison,
27 Topeka, and Santa Fe Railroad right-of-way on the east, the
28 southern line of the northern half of the northwestern quarter of

1 section eight, township three south, range 11 west, San Bernardino
2 meridian on the south, and Bloomfield Avenue of the west. The
3 legal description of the Site is attached as Exhibit 1. A map
4 depicting the Site is attached as Exhibit 2. For purposes of this
5 Order, the "Site" shall include the areal extent of any known or
6 suspected release or threatened release of a hazardous substance,
7 pollutant or contaminant originating at the Site, including, but
8 not limited to, any such release that may have affected soil,
9 groundwater or adjacent properties.

10 2. This Consent Order is issued to Texaco Inc., a Delaware
11 corporation, and BC Santa Fe Springs, LLC, a Delaware limited
12 liability company (collectively "Respondents"). Each Respondent
13 agrees to undertake the actions required of that Respondent by
14 this Consent Order. Respondents are jointly and severally
15 responsible for carrying out all activities required by this
16 Consent Order, except for those activities expressly required only
17 of one Respondent. With respect to requirements imposed on a
18 single Respondent (the primarily responsible Respondent), the
19 other Respondent shall be responsible for carrying out all
20 requirements of this Consent Order in the event that DTSC makes a
21 final determination that the primarily responsible Respondent has
22 failed to or refused to comply with the requirements of this
23 Consent Order. Each Respondent further consents to and will not
24 contest DTSC's jurisdiction to issue this Consent Order or to
25 implement or enforce its terms.

26 3. DTSC and Respondents agree that the actions undertaken
27 by Respondents in accordance with this Consent Order do not
28 constitute an admission of any liability by any Respondent.

1 Respondents do not admit, and retain the right to controvert in
2 any subsequent proceedings other than proceedings to implement or
3 enforce this Consent Order, the validity of the Statement of
4 Facts or Determinations contained in Sections IV and V,
5 respectively, of this Consent Order.

6 II. STATEMENT OF PURPOSE

7 4. The purpose of this Order is to implement the Remedial
8 Action Plan (RAP), approved by DTSC on June 13, 1997. The
9 purpose of this Order is also to obtain reimbursement from
10 certain Respondents for response costs incurred by DTSC,
11 including oversight costs.

12 5. By entering into this Consent Order, the mutual
13 objectives of the Parties are: to settle and resolve, subject to
14 reservations and limitations contained in Section X, DTSC's
15 Covenant Not to Sue, and Section XI, DTSC'S Reservation of
16 Rights, the liability of Respondents for the Existing
17 Contamination at the Site.

18 III. DEFINITIONS

19 6. Unless otherwise expressly provided herein, terms used
20 in this Consent Order that are defined in the H&SC or in
21 regulations promulgated therein shall have the meaning assigned
22 to them in the statute or regulations. Whenever the terms listed
23 below are used in this Consent Order, the following definitions
24 shall apply:

25 a. "CERCLA" shall mean the Comprehensive
26 Environmental Response, Compensation, and Liability Act of 1980,
27 as amended, 42 U.S.C. § 9601, et seq.

28 b. "Consent Order" or "Order" shall mean this

1 Consent Order and all appendices and exhibits attached hereto.
2 In the event of conflict between this Consent Order and any
3 appendix or exhibit, the Consent Order shall control.

4 c. "Day" shall mean a calendar day. In computing any
5 period of time under this Consent Order, where the last day would
6 fall on a Saturday, Sunday, or state or federal holiday, this
7 period shall run until the close of business on the next working
8 day.

9 d. "DTSC" shall mean the California Environmental
10 Protection Agency, Department of Toxic Substances Control, and
11 any successor departments, agencies, or instrumentalities.

12 e. "Existing Contamination" means any
13 release or threatened release of a "hazardous substance,"
14 pollutant or "contaminant", as such terms are defined in CERCLA,
15 or the H&SC or any other applicable environmental law or
16 regulation, including petroleum hydrocarbons, existing on, at, or
17 under the Site, or which has migrated from the Site, as of the
18 effective date of this Consent Order, including any and all
19 groundwater contamination beneath the Site.

20 f. "Interest" shall mean interest at the current
21 rate specified for interest on investments in the Surplus Money
22 Investment Fund pursuant to Section 16475 of the Government Code.

23 g. "Land Use Controls" shall mean recorded
24 instruments restricting the present and future uses of the Site,
25 including but not limited to, recorded easements, covenants,
26 restrictions or servitudes, or any combination thereof, as
27 appropriate. Land use controls shall run with the land from the
28 date of recordation, pursuant to Health and Safety Code section

1 25355.5, shall bind all of the owners of the land, and their
2 heirs, successors, and assignees, and the agents, employees, and
3 lessees of the owners, heirs, successors, and assignees, and
4 shall be enforceable by DTSC pursuant to Health and Safety Code,
5 sections 25355.5 and 25356.1.

6 h. "Notice" shall refer to that notice, in the form
7 of Exhibit 3 hereto, to be executed by each Successor in Interest
8 or transferee of Respondent BC pursuant to Section XV, Parties
9 Bound/Notice to Successors in Title, hereof.

10 i. "Paragraph" shall mean a portion of this Consent
11 Order identified by an Arabic numeral.

12 j. "Parties" shall mean DTSC and Respondents.

13 k. "RCRA" shall mean the Resource Conservation and
14 Recovery Act, 42 U.S.C. § 6901 et seq.

15 l. A "release" shall mean release or threatened
16 release as defined by H&SC Section 25320.

17 m. "Remedial Action Plan" or "RAP" means that certain
18 Remedial Action Plan approved and adopted by DTSC on June 13,
19 1997.

20 n. "Respondents" shall mean Texaco Inc., a Delaware
21 Corporation and BC Santa Fe Springs LLC, a Delaware limited
22 liability company.

23 o. "Response costs" shall mean all costs of
24 "response," as that term is defined by Section 101(25) of CERCLA,
25 42 U.S.C. § 9601(25) incurred or to be incurred with respect to
26 the Site.

27 p. "Section" shall mean a portion of this Consent
28 Order identified by a Roman numeral.

1 q. "Site" shall mean the Walker Property Hazardous
2 Substance Site, encompassing approximately 21.32 acres [located at
3 the southeast corner of Bloomfield Avenue and Lakeland Road in
4 the City of Santa Fe Springs, County of Los Angeles, State of
5 California, bounded by Lakeland Road on the north, an Atchison,
6 Topeka, and Santa Fe Railroad right-of-way on the east, the
7 southern line of the northern half of the northwestern quarter of
8 section eight, township three south, range 11 west, San
9 Bernardino meridian on the south, and Bloomfield Avenue on the
10 west,] depicted more clearly on the map attached as Exhibit 2.
11 For purposes of this Order, the "Site" shall include the areal
12 extent of any known or suspected release or threatened release of
13 a hazardous substance, pollutant, or contaminant originating at
14 the site, including, but not limited to, any such release that may
15 have affected soil, groundwater or adjacent properties.

16 r. "Successor in Interest" shall mean any persons or
17 entity which acquires an ownership or security interest in all or
18 a portion of the 21.32 acres of land included in the Site.

19 s. "Walker" shall mean George and Mary Beth Walker,
20 the prior owners of the Site.

21 IV. STATEMENT OF FACTS

22 7. Respondent BC Santa Fe Springs, LLC ("BC") is the
23 current owner and operator at the Site. BC acquired the Site
24 from Walker. Respondent Texaco Inc. ("Texaco") is the successor
25 to Getty Oil Company ("Getty"), which was an owner and operator
26 of the Site at the time of disposal of hazardous substances at
27 the Site.

28 8. Getty, a predecessor of Texaco, purchased the Site in

1 1934 and used it from approximately 1934 until 1964 for petroleum
2 storage, equipment storage, and oil well drilling, fluids storage
3 and disposal. From 1965 to 1979, Getty leased the northwestern
4 portion of the Site to Lakewood Oil Services ("Lakewood").

5 Lakewood operated within the area enclosed when one starts at the
6 northwestern corner of the Site, and proceeds 350 feet to the
7 east, then proceeds 870 feet to the south, 350 feet to the west,
8 and 870 feet to the north, to the point of beginning. This area
9 is shown on Exhibit 2. From approximately 1968 to 1979, Getty
10 leased the southwestern portion of the Site to Powerine Oil
11 Company ("Powerine"). Concurrent with the sale of the Site to
12 Walker in 1979, Getty assigned the Powerine and Lakewood leases
13 to Walker. Walker leased to Lakewood until approximately 1984.
14 Walker leased to Powerine until approximately 1985.

15 9. From approximately 1968 until its bankruptcy in the mid-
16 1980's, Powerine utilized two (2) above ground storage tanks and
17 associated piping and equipment on the southwestern portion of
18 the Site. Discharges of petroleum hydrocarbons from these tanks,
19 which have been removed, are subject to regulation by the
20 California Regional Water Quality Control Board, Los Angeles
21 Region ("Board").

22 10. From approximately 1965 to 1984 Lakewood engaged in the
23 recycling of used motor oil on the Site. During this time,
24 Lakewood constructed office structures, unloading facilities, and
25 at least three (3) above ground storage tanks. The area where
26 these tanks were located has incurred the greatest impact from
27 used oil, polychlorinated biphenyls (PCBs), metals and
28 lubricating fluids which were released on or into the soil. In

1 1984, Lakewood declared bankruptcy. Bankruptcy proceedings were
2 concluded in 1985.

3 11. DTSC issued a First Amended Imminent and Substantial
4 Endangerment Order ("I&SE Order") effective October 26, 1992 to
5 the following parties: (1) Walker, (2) Texaco, (3) Four Star Oil
6 and Gas Co., and (4) Lakewood. The I&SE Order identified two
7 distinct areas of the Site for investigation and remediation; the
8 Lakewood Section on the west side and the Railroad Section on the
9 east side. The Lakewood Section includes that portion of the
10 Site used by Lakewood. Other portions of the Site (including the
11 Powerline above ground storage tank portion) were not included in
12 the I&SE Order.

13 12. Texaco and Four-Star Oil and Gas Co. are the only named
14 Potentially Responsible Parties ("PRP") which complied with the
15 I&SE Order. Pursuant to the I&SE Order, Texaco completed a
16 Remedial Investigation, Baseline Health Risk Assessment and
17 Feasibility Study. The decision by DTSC on the remedial action
18 to be implemented at the Site is embodied in the Remedial Action
19 Plan approved by DTSC on June 13, 1997.

20 13. Texaco and DTSC have both incurred response costs at
21 the Site. These include costs for site investigation, removal,
22 remedy selection, and DTSC oversight. Texaco has also paid
23 \$253,481.15 of DTSC's response and oversight costs to date.

24 14. The sampling and analyses performed to date at the Site
25 indicate that the area designated as the Lakewood Section has
26 been impacted by contaminants associated with used oil and
27 lubricating fluids including PCBs and heavy metals; structures
28 along the railroad spur in the area designated as the Railroad

1 Section were constructed with asbestos containing materials; and
2 the area surrounding the former Powerine above-ground storage
3 tanks has been impacted by hydrocarbon contamination associated
4 with fuel storage. Remediation or abatement of the discharges of
5 petroleum hydrocarbons from the Powerine tanks and the associated
6 piping and equipment (the "Powerine Conditions") is regulated by
7 the Board. Areas of the Site that have been impacted are
8 described in the document entitled "Remedial Investigation Report
9 for the Walker Property Site", dated August 25, 1995. DTSC has
10 reviewed and concurred with the findings of this document.

11 15. Hazardous substances as defined in Section 101(14) of
12 CERCLA and § 25316 of the H&SC, have been or are threatened to be
13 released at or from the Site. PCBs, lead, barium, copper and
14 asbestos have been detected in soil at the Site.

15 16. PCBs are listed as an Organic Persistent and
16 Bioaccumulative Toxic Substances in Title 22, California Code of
17 Regulations, Section 66261.24. The maximum concentration of PCBs
18 in soil samples collected at the Site is 248 parts per million.
19 PCBs are listed as a "Chemical Known to the State to Cause
20 Cancer" in the Safe Drinking Water and Toxic Enforcement Act of
21 1986, Health and Safety Code section 25249.5 et seq. PCBs were
22 commonly used due to their dielectric qualities. PCBs have
23 impacted an estimated 5,000 cubic yards of soil at the Site.
24 These soils are located within the Lakewood Section in the area
25 where three (3) above ground storage tanks were located.

26 17. Lead is listed as an Inorganic Persistent and
27 Bioaccumulative Toxic Substance in Title 22, of the California
28 Code of Regulations, section 66261.24. The maximum concentration

1 of lead in soil samples collected at the Site is 2,470 milligrams
2 per kilogram. Lead is listed as a "Chemical Known to the State
3 to Cause Cancer and to Cause Developmental, Female and Male
4 Reproductive Toxicity" in the Safe Drinking Water and Toxic
5 Enforcement Act of 1986, H&SC Section 25249.5 et seq. Lead is
6 commonly found in refined products, as an anti-knock additive,
7 and in used oils as a result of use. Lead has been found in the
8 soils in the Lakewood Section in the area where three (3) above
9 ground storage tanks were located.

10 18. Copper is listed as an Inorganic Persistent and
11 Bioaccumulative Toxic Substance in Title 22, California Code of
12 Regulations, Section 66261.24. The maximum concentration of
13 copper in soil samples collected at the Site is 5,140 milligram
14 per kilogram. Copper has been found in the soils located in the
15 Lakewood Section in the area where three (3) above ground storage
16 tanks were located.

17 V. DETERMINATIONS

18 19. Based on the foregoing Statement of Facts set forth
19 above and on the administrative record for this Site, DTSC has
20 determined that:

21 a. The Walker Property Site is a "facility" as that
22 term is defined in Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

23 b. Each Respondent is a "person" as that term is
24 defined in Section 101(21) of CERCLA, 42 U.S.C. § 9601(21).

25 c. Each Respondent is a "responsible party" or liable
26 person within the meaning of H&SC Sections 25319, 25323.5, and
27 25385.1(g).

28 d. There has been an actual or threatened "release"

1 of a "hazardous substance" from the Site as those terms are
2 defined in H&SC Section 25320.

3 e. The actual or threatened "release" of hazardous
4 substances at the Site may present an imminent or substantial
5 endangerment to the public health and welfare or to the
6 environment.

7 f. The removal or remedial actions required by this
8 Order are necessary to protect the public health, welfare and the
9 environment.

10 g. Prompt settlement with each Respondent is
11 appropriate and in the public interest.

12 VI. PERFORMANCE OF WORK

13 Based upon the administrative record for the Site and
14 the Statement of Facts and Determinations set forth above, and in
15 consideration of the promises and covenants set forth herein, the
16 following is hereby AGREED TO AND ORDERED:

17 20. Performance of Work. Respondent BC shall conduct the
18 activities specified in Appendix A, Scope of Work, attached
19 hereto. Respondent BC shall conduct the activities in the manner
20 specified herein and in accordance with the schedules specified
21 in Appendix A or otherwise approved by DTSC. All work shall be
22 performed consistent with H&SC Section 25300 et seq., as amended;
23 the National Contingency Plan (40 Code of Federal Regulations
24 (CFR) Part 300), as amended; and U.S. EPA and DTSC Superfund
25 guidance documents regarding site investigation and remediation.
26 Performance of such work by BC shall be deemed to constitute full
27 satisfaction of Walker's payment and/or performance obligations
28 with respect to the Site.

1 VII. FAILURE TO MAKE PAYMENT

2 21. If any Respondent fails to make full payment within the
3 time required by Paragraph 29, that Respondent shall pay Interest
4 on the unpaid balance. In addition, if any Respondent fails to
5 make full payment within the period provided by Paragraph 29,
6 DTSC may, in addition to any other available remedies or
7 sanctions, bring an action against that Respondent seeking
8 injunctive relief to compel payment and/or seeking civil
9 penalties under H&SC Section 25367, cost recovery under H&SC
10 Section 25360, and treble damages pursuant to H&SC Section 25359
11 for failure to make timely payment.

12 VIII. CERTIFICATION OF RESPONDENTS

13 22. By signing this Consent Order, each Respondent
14 certifies, individually, that to the best of its knowledge and
15 belief, it has:

16 a. conducted a thorough, comprehensive, good faith
17 search for documents, and has fully and accurately disclosed to
18 DTSC, all information currently in its possession, or in
19 possession of its officers, directors, employees, contractors, or
20 agents, which relates in any way to the ownership, operation, or
21 control of the Site, or to the ownership, possession, generation,
22 treatment, transportation, storage, or disposal of a hazardous
23 substance, pollutant, or contaminant, at or in connection with
24 this Site;

25 b. not altered, mutilated, discarded, destroyed, or
26 otherwise disposed of any records, documents, or other
27 information relating to its potential liability regarding the
28 Site after notification of potential liability or the filing of a

1 suit against it regarding the Site;

2 c. fully complied with any and all DTSC requests for
3 information regarding the Site pursuant to H&SC Sections 25185.6,
4 25189.2, and 25358.1.

5 IX. GENERAL PROVISIONS

6 23. Due Care/Cooperation. Respondent BC shall exercise due
7 care at the Site with respect to the Existing Contamination and
8 shall comply with all applicable local, State and federal laws
9 and regulations. BC shall also comply with all obligations set
10 forth in the RAP, including the land use controls set forth in
11 the Covenant and Agreement to Restrict Use of Property and
12 Environmental Restriction executed contemporaneously herewith
13 (Land Use Covenant). Respondent BC recognizes that the
14 implementation of the RAP at the Site may interfere with BC's use
15 of the area impacted by the PCB Cap required to be constructed on
16 the Site as determined in the RAP. BC agrees to cooperate fully
17 with DTSC in the implementation of the RAP at the Site. DTSC
18 agrees, consistent with its responsibilities under applicable
19 law, to use reasonable efforts to minimize any interference with
20 BC's operations by such entry and response. In the event that BC
21 becomes aware of any action or occurrence which causes or
22 threatens a release of hazardous substances, pollutants or
23 contaminants at, or from the Site that constitutes an emergency
24 situation or may present an immediate threat to public health or
25 welfare or the environment, BC shall immediately take all
26 appropriate action to prevent, abate, or minimize such release or
27 threat of release, and shall, in addition to complying with any
28 applicable notification requirements under the HS&C, or any other

1 law, immediately notify DTSC of such release or threatened
2 release.

3 24. Site Access. Commencing upon the Effective Date, and
4 thereafter, Respondent BC agrees to provide access to the Site
5 and laboratories used for analyses of samples under this Order at
6 all reasonable times to employees, contractors, and consultants
7 of DTSC. Nothing in this section is intended or shall be
8 construed to limit in any way the right of entry or inspection
9 that DTSC or any other agency may otherwise have by operation of
10 any law. DTSC and its authorized representatives shall have the
11 authority to enter and move freely about all property at the Site
12 at all reasonable times for purposes including, but not limited
13 to: inspecting records, operating logs, sampling and analytic
14 data, and contracts relating to this Order; reviewing the
15 progress of BC in carrying out the terms of this Order;
16 conducting such tests as DTSC may deem necessary; and verifying
17 the data submitted to DTSC by BC.

18 25. Site Access for Respondents Conducting Response
19 Activities. Respondent BC shall grant access to any other
20 persons implementing the RAP pursuant to this Order to complete
21 required response activities. BC shall ensure that a copy of
22 this Order is provided to any current lessee or sublessee on the
23 property as of the Effective Date of this Order, and shall ensure
24 that any subsequent leases or subleases in the Site are
25 consistent with this Section, Section XV, Parties Bound/Notice to
26 Successors in Title, and Section VI, Performance of Work, of this
27 Order.

28 26. Cost Recovery. Subject to Section X, DTSC's Covenant

1 Not to Sue and subject to the provisions of Sections 27 and 28
2 below, Respondents are liable for all of DTSC's costs incurred in
3 responding to the Existing Contamination at the Site, including
4 costs of overseeing response work performed by Respondents for
5 matters addressed by this Order, costs incurred by DTSC in
6 association with preparation of this Order, and costs to be
7 incurred in the future. Cost recovery may be pursued by DTSC
8 under CERCLA, H&SC section 25360, or any other applicable State
9 or federal statute or common law. The State of California
10 reserves the right to bring an action against Respondents under
11 CERCLA, H&SC section 25360, or any other applicable State or
12 federal statute or common law, for recovery of all response and
13 oversight costs incurred by the State of California related to
14 this Order and not reimbursed by Respondents, pursuant to
15 paragraphs 27 and 28.

16 27. Past Costs. Within thirty (30) days of the Effective
17 Date of this Order, Respondent Texaco shall pay to DTSC,
18 \$33,520.38, to reimburse DTSC for its costs incurred through
19 January 31, 1997, related to response actions and oversight of
20 response actions at the Site. Within thirty (30) days of the
21 Effective Date of this Order, Respondent BC shall pay to DTSC,
22 \$32,526.09, to reimburse DTSC for its costs incurred from
23 February 1, 1997 through June 30, 1997, related to response
24 actions and oversight of response actions at the Site.

25 28. Future Costs. Respondent BC shall pay all oversight
26 and response costs incurred by DTSC and related to the Site on
27 and after June 30, 1997, including DTSC's review of activities by
28 BC or BC's agents under this Order and/or related to this Order,

1 as such costs are incurred. Costs of DTSC's review of BC's
2 activities include all direct and indirect costs. Under all
3 circumstances, Respondent BC shall remain liable for all costs
4 incurred by DTSC for matters addressed by this Order as specified
5 by H&SC Section 25360, including interest thereon as provided by
6 law. DTSC shall bill BC on a quarterly basis for response and
7 oversight costs incurred during the previous quarter. DTSC shall
8 provide BC with a summary description of DTSC's oversight
9 activities for which it seeks oversight costs. BC shall maintain
10 the right to review and make copies of documentation supporting
11 the costs claimed by DTSC. BC shall remit payment as specified
12 in the billing within sixty (60) days of the date it is sent by
13 DTSC.

14 29. Payment. All payments made by Respondents pursuant to
15 this Order shall be by a cashier's or certified check made
16 payable to the "Department of Toxic Substances Control", and
17 bearing on its face the project code for the Site (Site # 300165)
18 and the docket number of this Order. Payments shall be sent to:

19 Department of Toxic Substances Control
20 Accounting/Cashier
21 400 P Street, 4th Floor
22 P.O. Box 806
Sacramento, California 95812-0806

23 A photocopy of the check shall be sent concurrently to DTSC's
24 Project Manager/Regional Branch Chief.

25 If any bill is not paid by a Respondent within sixty (60)
26 days after it is sent by DTSC, the Respondent may be deemed to be
27 in material default of this Order.

28 30. Project Coordinator. The work performed pursuant to

1 this Order shall be under the direction and supervision of a
2 qualified project coordinator, with expertise in hazardous
3 substance site cleanup. Respondent BC shall submit: a) the name
4 and address of the Project Coordinator; and b) in order to
5 demonstrate expertise in hazardous substance site cleanup, the
6 resume of the Coordinator. BC shall promptly notify DTSC of any
7 change in the identity of the Project Coordinator. All
8 engineering and geological work shall be conducted in conformance
9 with applicable State law, including but not limited to, Business
10 and Professions Code sections 6735 and 7835.

11 31. Submittals. All notices, documents and communications
12 required to be given under this Order, unless otherwise specified
13 herein, shall be sent to the respective parties at the following
14 addresses in a manner that produces a record of the sending of
15 the notice, document or communication such as certified mail,
16 overnight delivery service, facsimile transmission or courier:

17 Hamid Saebfar, Chief
18 Statewide Cleanup Operations
19 Southern California Branch A
20 Attention: Project Manager [two copies]
21 Department of Toxic Substances Control
22 1011 N. Grandview Avenue
23 Glendale, California 91201

24 Texaco Inc.
25 EHS Division
26 10 Universal City Plaza, Suite 707
27 Universal City, California 91608
28 Attn: Glenn R. Anderson

29 BC Santa Fe Springs, LLC
30 717 Lido Park Drive
31 Newport Beach, California 92663
32 Attention: George Bravante

33 Any party may change its notice address by providing written
34 notice of such change to each of the other parties.

1 32. Communications. All approvals and decisions of DTSC
2 made regarding submittals and notifications pursuant to this
3 Order will be communicated to Respondents in writing by the
4 Statewide Cleanup Operations Branch Chief, Department of Toxic
5 Substances Control, or his/her designee. No informal advice,
6 guidance, suggestions or comments by DTSC regarding reports,
7 plans, specifications, schedules or any other writings by
8 Respondents shall be construed to relieve Respondents of the
9 obligation to obtain such formal approvals as may be required.

10 33. DTSC Review and Approval. (a) If DTSC determines that
11 any report, plan, schedule or other document submitted for
12 approval pursuant to this Order fails to comply with this Order
13 or fails to protect public health or safety or the environment,
14 DTSC may:

15 (1) Modify the document as deemed necessary and approve the
16 document as modified; or

17 (2) Return comments to Respondents with recommended changes
18 and a date by which Respondents must submit to DTSC a
19 revised document incorporating the recommended changes.

20 (b) Any modifications, comments or other directive issued
21 pursuant to (a) above, are incorporated into this Order. Any
22 noncompliance with these modifications or directives may be
23 deemed a failure or refusal to comply with this Order.

24 34. Dispute Resolution. Respondents may seek resolution
25 to a dispute which arises from a decision made by the
26 Department's project management team related to this Order,
27 including any decision made under Paragraph 33, DTSC Review and
28 Approval. The site mitigation project management team consists

1 of the Project Manager, first-line supervisor (Senior or Unit
2 Chief), the Branch Chief, and the technical assistance staff.
3 Respondents may seek dispute resolution in accordance with the
4 following process:

- 5 a. Respondents may seek resolution from the Department's
6 first-line supervisor (Unit Chief) who supervises the
7 Project Manager, and then, if the issue is not resolved
8 after review by the first-line supervisor, Respondents
9 may seek resolution from the second-line manager, the
10 Branch Chief, who is responsible for overseeing site
11 cleanup investigations or remedial action. If the
12 issue is not resolved at the Branch Chief level after
13 review of the second-line manager, Respondents may then
14 seek resolution from the next level of management, the
15 Deputy Director for the Site Mitigation Program.
- 16 b. If the issue is not resolved at the Deputy Director
17 level after review of the Deputy Director, then
18 Respondent may seek resolution from the Office of the
19 Director of the Department of Toxic Substances Control.
20 The Director will review the issues and render the
21 Department's final decision in this process.

22 35. Compliance with Applicable Laws. Respondents shall
23 carry out this Order in compliance with all applicable state,
24 local, and federal laws, regulations and requirements including,
25 but not limited to, requirements to obtain permits and to assure
26 worker safety.

27 36. Sampling, Data and Document Availability. Respondents
28 shall permit DTSC and its authorized representatives to inspect

1 and copy all sampling, testing, monitoring or other data
2 generated by Respondents or on Respondents' behalf in any way
3 pertaining to work undertaken pursuant to this Order.
4 Respondents shall submit all such data upon the request of DTSC.
5 Copies shall be provided within seven (7) days of receipt of
6 DTSC's written request. Respondents shall inform DTSC at least
7 seven (7) days in advance of all field sampling under this Order,
8 and shall allow DTSC and its authorized representatives to take
9 duplicates of any samples collected by Respondents pursuant to
10 this Order. Respondents shall maintain a central depository of
11 the data, reports and other documents prepared pursuant to this
12 Order.

13 37. Record Retention. All such data, reports and other
14 documents pertaining to the Site shall be preserved by
15 Respondents for a minimum of ten (10) years after the conclusion
16 of all activities under this Order. If DTSC requests that some
17 or all of these documents be preserved for a longer period of
18 time, Respondents shall either comply with that request or
19 deliver the documents to DTSC, or permit DTSC to copy the
20 documents prior to destruction. Respondents shall notify DTSC in
21 writing, at least six (6) months prior to destroying any
22 documents prepared pursuant to this Order and shall provide DTSC
23 with an opportunity to copy any documents at the expense of DTSC.

24 38. Government Liabilities. The State of California shall
25 not be liable for any injuries or damages to persons or property
26 resulting from acts or omissions by Respondents, or related
27 parties specified in Section XV, Parties Bound/Notice to
28 Successors in Title, in carrying out activities pursuant to this

1 Order, nor shall the State of California be held as party to any
2 contract entered into by Respondents or their agents in carrying
3 out activities pursuant to this Order.

4 39. Extension Requests. If any Respondent is unable to
5 perform any activity or submit any document required of that
6 Respondent within the time required under this Order, Respondent
7 may, prior to expiration of the time, request an extension of the
8 time in writing. The extension request shall include a
9 justification for the delay. All such requests shall be in
10 advance of the date on which the activity or document is due.

11 40. Extension Approvals. If DTSC determines that good cause
12 exists for an extension, it will grant the request and specify a
13 new schedule in writing. Respondents shall comply with the new
14 schedule incorporated in this Order.

15 41. Severability. The requirements of this Order are
16 severable, and Respondents shall comply with each and every
17 provision hereof, notwithstanding the effectiveness of any other
18 provision.

19 42. Incorporation of Plans, Schedules and Reports. All
20 plans, schedules, reports, specifications and other documents
21 that are submitted by Respondent BC pursuant to this Order are
22 incorporated in this Order upon DTSC's approval or as modified
23 pursuant to Paragraph 33, DTSC Review and Approval, and shall be
24 implemented by Respondent BC. Any noncompliance with the
25 documents incorporated in this Order shall be deemed a failure or
26 refusal to comply with this Order.

27 43. Modifications. This Order may be amended in writing by
28 mutual agreement of DTSC and Respondents. Any amendment to this

1 Order shall be effective upon the date the modification is signed
2 by DTSC and shall be deemed incorporated in this Order.

3 44. Counterparts. This Order may be executed and delivered
4 in any number of counterparts, each of which when executed and
5 delivered shall be deemed to be an original, but such
6 counterparts shall together constitute one and the same document.

7 45. Governing Law. This Order shall be construed and
8 governed by the laws of the State of California.

9 X. DTSC'S COVENANT NOT TO SUE

10 46. Subject to Section XI, DTSC's Reservation of Rights, of
11 this Order, DTSC covenants not to sue or take any civil,
12 judicial, or administrative action, to pursue any claim, enter
13 any order, or make any demand against Respondents or Walker for
14 claims pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607;
15 Section 7003 of RCRA, 42 U.S.C. § 6973; or Chapters 6.5
16 (commencing with Section 25100) and 6.8 (commencing with Section
17 25301), Division 20 of the H&SC, or pursuant to any other
18 applicable laws, regulations, or civil, judicial, or
19 administrative authorities, solely with respect to the Existing
20 Contamination at the Site or any portion thereof. This Covenant
21 shall inure to the benefit of and pass with each and every
22 portion of the Site and shall benefit any respective Successor in
23 Interest thereof provided that the conditions of paragraph 65 are
24 met.

25 47. With respect to each Respondent, or Successor in
26 Interest, individually, this Covenant Not to Sue is conditioned
27 upon the satisfactory performance by Respondent of all of its
28 respective obligations under this Consent Order.

1 48. Except as provided in Paragraph 46 above, and Section
2 XV below, this Covenant Not to Sue extends only to Respondents
3 and Walker and does not extend to any other person. This
4 Covenant Not to Sue is made on behalf of DTSC only, and does not
5 in any way affect the right of the Board to require cleanup or
6 abatement of the Powerline Conditions.

7 XI. DTSC'S RESERVATION OF RIGHTS

8 49. The Covenant Not to Sue by DTSC as set forth in
9 Section X, does not pertain to any matters other than those
10 expressly specified in Section X. DTSC reserves, and this
11 Consent Order is without prejudice to, all rights against
12 Respondents or Walker as a result of such party's:

13 a. failure to meet a requirement of such party under
14 this Consent Order;

15 b. criminal liability;

16 c. injury to, destruction of, or loss of natural
17 resources, and for the costs of any natural resource damage
18 assessments,

19 d. exacerbation of Existing Contamination, provided,
20 that work conducted in accordance with the RAP, the Remedial
21 Design and Implementation Plan (RDIP), or any Soil Management
22 Plan approved by DTSC, and development activities at the Site
23 permitted by the Land Use Controls to be recorded by BC, shall
24 not be considered to be exacerbation of Existing Contamination.

25 e. release or threatened release of hazardous
26 substances, pollutants or contaminants at the Site which does not
27 fall within the definition of Existing Contamination.

28 f. future arrangement for disposal or treatment of a

1 hazardous substance, pollutant or contaminant at the Site after
2 the effective date of this Consent Order provided that
3 arrangement arising from implementation of the RAP, the RDIP and
4 any on-site management of the Existing Contamination in
5 accordance with the Land Use Controls shall not be considered
6 "future arrangement" hereunder.

7 50. Notwithstanding any other provision of this Order, DTSC
8 reserves, and this Order is without prejudice to, the right to
9 institute proceedings, or to issue an administrative order
10 seeking to compel Respondents (1) to perform further response
11 actions relating to the Site or (2) to reimburse DTSC for
12 additional costs of response if:

13 (a) conditions at the Site, previously unknown to DTSC, are
14 discovered, or

15 (b) information, previously unknown to DTSC, is received,
16 and these previously unknown conditions or information together
17 with other relevant information indicate that a significant
18 threat of actual harm to human health or the environment exists
19 at the Site and the RAP, the RDIP, or any Soil Management Plan
20 approved by DTSC is not protective of human health or the
21 environment in light of such previously unknown conditions or
22 previously unknown information. For purposes of this paragraph,
23 the information and the conditions known to DTSC shall include
24 only that information and those conditions known to DTSC as of
25 the date of the RAP and set forth in the RAP, the administrative
26 record supporting the RAP, or in any information received by DTSC
27 pursuant to the requirements of this Order prior to certification
28 of completion of the remedial action by DTSC or the approval of

1 any Soil Management Plan, whichever last occurs.

2 51. Except as otherwise expressly provided in this Order,
3 DTSC retains all authority and reserves all rights to take any
4 and all response actions authorized by law.

5 52. With respect to any claim or cause of action asserted
6 by DTSC with respect to matters reserved in this Section XI, a
7 Respondent and/or its successors and assignees shall bear the
8 burden of proving that the claim or cause of action, or any part
9 thereof, is attributable to Existing Contamination.

10 53. If a Respondent and/or any successor or assignee is
11 determined, through adjudication or administrative or regulatory
12 processes, to have committed an act or omission after the
13 Effective Date for which DTSC has specifically reserved its
14 rights in (a) through (f) above, the Respondent (if it was so
15 determined to have committed the act or omission), or the
16 particular successor or assignee that was determined to have
17 committed the act or omission, shall be liable for all
18 enforcement costs including, but not limited to, litigation
19 costs, incurred by DTSC in conjunction with that act or omission.

20 54. Nothing in this Order is intended to limit the right of
21 DTSC to seek to compel parties other than the Respondents,
22 Walker, and/or any Successor in Interest to perform or pay for
23 response actions at the Site which is not attributable to the
24 Existing Contamination.

25 XII. RESPONDENTS' COVENANT NOT TO SUE

26 55. In consideration of Section X, DTSC's Covenant Not to
27 Sue, of this Order, the Respondents hereby Covenant Not to Sue
28 and agree not to assert any claims or causes of action against

1 the state of California, DTSC, or its authorized officers,
2 employees, representatives, or contractors with respect to the
3 site or this Consent Order, including, but not limited to:

4 a. Any direct or indirect claim for reimbursement
5 from the Hazardous Waste Control Account, Hazardous Substance
6 Account, Hazardous Substance Cleanup Fund, or any other State
7 account, through Health and Safety Code section 25375, or any
8 other provision of law, and

9 b. Any claims arising out of response activities at
10 the Site, including but not limited to nuisance, trespass,
11 takings, equitable indemnity and indemnity under California law,
12 or strict liability under California law, based on DTSC's
13 oversight activities or approval of plans for such activities.
14 This Covenant is made and given, effective upon execution by
15 Respondents of this Order, and with respect to a Successor in
16 Interest, upon DTSC's receipt of the signed notice of Property
17 Transfer and Covenant Not to Sue pursuant to paragraph 64, and
18 does not extend to or bind any other persons.

19 56. Respondent's Covenant Not to Sue and agree not to
20 assert any claims or causes of action against each other or,
21 subject to paragraph 65, any Successor in Interest with regard to
22 the Site pursuant to sections 107 and 113 of CERCLA, 42 U.S.C.
23 §§ 9607 and 9613. Nothing contained in this Consent Order shall,
24 however, modify, terminate or otherwise amend any other agreements
25 between the Respondents and/or Walker, and the parties expressly
26 reserve all of their rights under any such agreements.

27 XIII. RESPONDENTS' RESERVATION OF RIGHTS

28 57. Respondents reserve, and this Order is without

1 prejudice to, actions against DTSC based on the gross negligence
2 or wilful misconduct of DTSC, not including oversight or approval
3 of the Respondent's plans or activities, that are brought
4 pursuant to the Hazardous Waste Control Account, Hazardous
5 Substance Account, or Hazardous Substance Cleanup Fund through
6 H&SC section 25375, CERCLA, or RCRA.

7 XIV. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

8 58. Nothing in this Consent Order shall be construed to
9 create any rights in, or grant any cause of action to, any person
10 not a Party to this Consent Order except for Walker or a
11 Successor in Interest. DTSC and Respondents each reserve any and
12 all rights (including, but not limited to, any right to
13 contribution), defenses, claims, demands, and causes of action
14 which each Party may have with respect to any matter,
15 transaction, or occurrence relating in any way to the Site
16 against any person not a Party hereto, other than Walker or a
17 Successor in Interest.

18 59. In any subsequent administrative or judicial proceeding
19 initiated by DTSC for injunctive relief, recovery of response
20 costs, or other relief relating to the Site, Respondents shall
21 not assert and may not maintain, any defense or claim based upon
22 the principles of waiver, res judicata, collateral estoppel,
23 issue preclusion, claim-splitting, or other defenses based upon
24 any contention that the claims raised in the subsequent
25 proceeding were or should have been brought in the instant
26 action; provided, however, that nothing in this Paragraph affects
27 the enforceability of the Covenant Not to Sue included in
28 Section X.

1 60. The parties agree that each Respondent, Walker
2 and, subject to paragraph 65, each Successor in Interest is
3 entitled, as of the effective date of this Consent Order, to
4 protection from contribution actions or claims as provided by
5 Sections 113(f)(2) and 112(g)(5) of CERCLA, 42 U.S.C. §§ 9613(f)(2)
6 and 9622(g)(5), for "matters addressed" in this Consent Order. The
7 "matters addressed" in this Consent Order are all response actions
8 taken or deemed taken by DTSC, Texaco, or BC, or Walker and all
9 response costs incurred and to be incurred by DTSC, Texaco, and BC,
10 at or in connection with the Site including, not limited to, the
11 RAP. This Consent Order shall provide protection to all the
12 Respondents, Walker and Successors in Interest against all claims
13 or actions for contribution with regard to the Site to the fullest
14 extent provided by State and federal law; provided, however, that
15 nothing in this Consent Order shall affect the right of the Board
16 to require cleanup or abatement of the Powerline Conditions.

17 61. Each Respondent agrees that with respect to any
18 suit or claim for contribution brought by it for matters related to
19 this Order, it will notify DTSC in writing no later than sixty (60)
20 days prior to the initiation of any such suit or claim. Respondent
21 also agrees that with respect to any suit or claim for contribution
22 brought against it for matters related to this Order, it will
23 notify DTSC in writing within ten (10) days of service of the
24 complaint on them.

25 62. The I&SE Order is hereby rescinded as of the
26 effective date of this Consent Order.

27 XV. PARTIES BOUND / NOTICE TO SUCCESSORS IN TITLE

28 63. This Consent Order shall apply to and be binding upon

1 DTSC and Respondents and Walker, and their heirs, successors, and
2 assigns. Except as provided in Paragraph 64, Transfer, any
3 change in ownership or corporate or other legal status of a
4 Respondent, including, but not limited to, any transfer of assets
5 or real or personal property, shall in no way alter such
6 Respondent's responsibilities under this Consent Order. Each
7 signatory to this Consent Order certifies that he or she is
8 authorized to enter into the terms and conditions of this Consent
9 Order and to execute and bind legally the party represented by
10 him or her.

11 64. Transfer. Notwithstanding any other provisions of this
12 Order, all of the rights and benefits conferred upon Respondent
13 BC under this Order may be assigned or transferred to any
14 Successor in Interest pursuant to Paragraph 65, Notices. In the
15 event of such assignment or transfer of all or any portion of the
16 Site by BC or any Successor in Interest, prior to the
17 certification of completion of the remedial action by DTSC,
18 Respondent BC shall be relieved and released from all of its
19 remaining obligations under this Consent Order and relating to
20 the Site, provided that such transferee or assignee shall have
21 first assumed such Respondent BC obligations in writing and
22 delivered evidence, satisfactory to DTSC, that the transferee or
23 assignee has the financial ability to complete any unperformed
24 work identified in Appendix A to this Order (the Work), or has
25 established adequate financial security to assure performance of
26 the Work.

27 In the event of a transfer or assignment of the Site by BC,
28 or any Successor in Interest, after certification of completion

1 of the remedial action by DTSC, Respondent BC or the Successor in
2 Interest, as the case may be, shall be relieved and released from
3 all of its remaining obligations under this Consent Order and
4 relating to the Site immediately upon such transfer; provided, that
5 the transferee or assignee shall have first assumed any remaining
6 obligations of such assigning party under this Order in writing.
7 Notwithstanding such assignment or transfer, Respondent BC or the
8 Successor in Interest shall, in such event, continue to have all of
9 the benefits of this Consent Order.

10 65. Notices. Prior to or simultaneous with any assignment
11 or transfer of an interest in all or any part of the Site, the
12 assignee or transferee shall as a precondition to receiving the
13 benefit of the DTSC Covenant Not to Sue, the Respondent's Covenant
14 Not to Sue and contribution protection, execute a written instrument
15 in the form attached hereto as Exhibit 3, which shall accompany each
16 transfer of an interest in all or any part of the Site.

17 XVI. INTEGRATION/APPENDICES

18 66. This Consent Order and its appendices constitute the
19 final, complete and exclusive agreement and understanding among
20 the Parties with respect to the settlement embodied in this
21 Consent Order. The parties acknowledge that there are no
22 representations, agreements, or understandings relating to the
23 settlement among the parties other than those expressly contained
24 in this Consent Order. Nothing contained in this Consent Order
25 shall, however, modify, terminate or otherwise amend any other
26 agreements between the Respondents and/or Walker, and the parties
27 expressly reserve all of their rights under any such agreements.
28 The following appendices are attached to and incorporated into

1 this Consent Order:

2 "Exhibit 1" is the legal description of the Site.

3 "Exhibit 2" is the map of the Site.

4 "Exhibit 3" is the Notice of Property Transfer and
5 Covenant Not to Sue.

6 "Appendix A" is the Scope of Work.

7 XVII. PUBLIC COMMENT

8 67. This Consent Order shall be subject to a public comment
9 period of not less than thirty (30) days. DTSC may withdraw or
10 withhold its consent to this Consent Order if comments received
11 disclose facts or considerations which indicate that this Consent
12 Order is inappropriate, improper, or inadequate. Respondent BC
13 shall prepare the notice for the thirty-day comment period; the
14 notice shall require that all comments be forwarded
15 simultaneously to BC and DTSC.

16 XVIII. EFFECTIVE DATE

17 68. The effective date of this Consent Order shall be the
18 date upon which DTSC issues written notice to Respondents that
19 the public comment period pursuant to Paragraph 67 has closed and
20 that comments received, if any, do not require modification of,
21 or DTSC withdrawal from, this Consent Order.

22
23 DATED: 5-29-98

TEXACO INC.

24 BY: Roger K Hadley

Roger K Hadley

25
26 DATED: 5-20-98

BC SANTA FE SPRINGS, LLC

27 BY: George Bravante, Jr.

George Bravante, Jr.

1 DATED:

6/2/98



Hamid Saebfar, Chief
Site Mitigation Branch
Cleanup Operations
Southern California Branch A
Department of Toxic Substances
Control

2
3
4
5 cc: Site Mitigation Program
6 Headquarters, Planning & Policy
7 Office of Legal Counsel
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

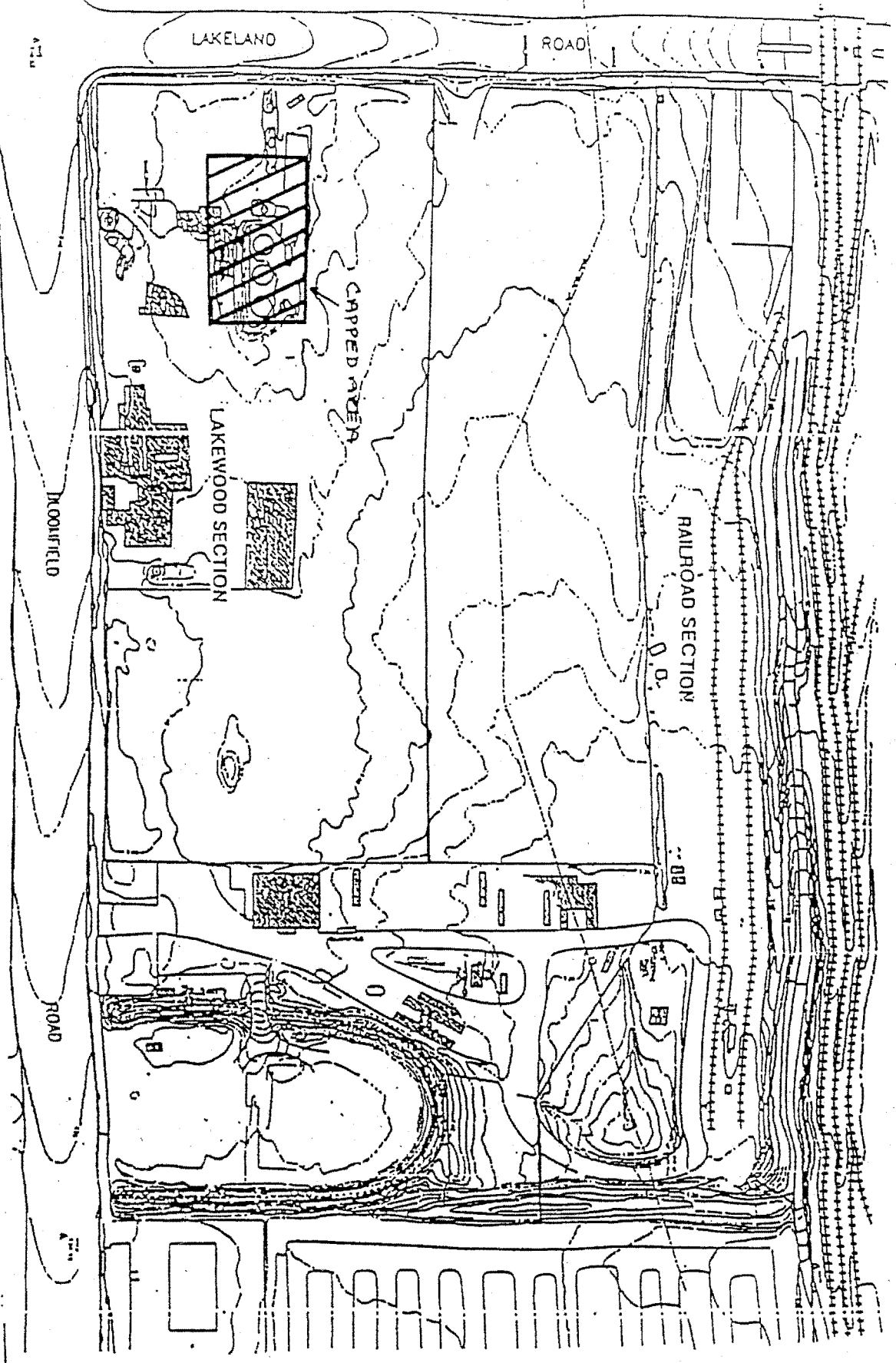
EXHIBIT 1

LEGAL DESCRIPTION

THE LAND REFERRED TO IN THIS GUARANTEE IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF SANTA FE SPRINGS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, LYING WEST OF ATCHISON, TOPEKA AND SANTA FE RAILROAD RIGHT OF WAY.

EXCEPT THEREFROM ALL OIL, MINERALS AND MINERAL RIGHTS, ORES AND METALS AND OTHER USEFUL AND VALUABLE MINERAL DEPOSITS OF EVERY KIND, CHARACTER AND DESCRIPTION, INCLUDING IN PART ASPHALT, TAR, GAS, OIL, PETROLEUM AND OTHER HYDROCARBONS THAT MAY BE OR HEREAFTER BE FOUND, DEPOSITED, CONTAINED OR DEVELOPED, IN, UPON, FROM OR UNDER, OR THAT MAY BE MINED, EXTRACTED, PUMPED OR WITHDRAWN IN ANYWAY IN, UPON, FROM OR UNDER ALL OR ANY PART OF SAID LAND TOGETHER WITH THE RIGHT TO GO AND BE UPON THE NORTH 500 FEET OF SAID LAND (BUT NOT ANY OTHER PART THEREOF) FOR THE PURPOSE OF EXTRACTING AND REMOVING SAME AS EXCEPTED AND RESERVED BY JULIA M. BAKER, A WIDOW, IN THE DEED RECORDED FEBRUARY 21, 1935 IN BOOK 13278 PAGE 172, OFFICIAL RECORDS AND REGISTERED FEBRUARY 4, 1935 AS DOCUMENT NO. 1451-D.



Note:
 LOCATIONS OF PREVIOUS TENANTS ARE APPROXIMATE. LEAST ONE D BOUNDARY IS UNKNOWN.
 SOURCE: Harding Lawson Associates (Plate 2, 9/91)



ENVIRONMENTAL STATISTICS CORPORATION

EXHIBIT 2
 SITE PLAN
 Walker Property Site
 San Jose, California

APRIL 1999

EXHIBIT 3

NOTICE OF PROPERTY TRANSFER AND
COVENANT NOT TO SUE

_____[Name of Owner] (the
"Undersigned") became an Owner [Holder of a Property Interest] of
_____[Address], California (the "Site") on
_____, 19____. Capitalized terms not defined herein
shall have the meaning ascribed in the Order (hereinafter
defined).

1. The Undersigned, by signing below, verifies that it has read the Consent Order (the "Order"), DTSC Docket No. _____.
2. The Undersigned understands and agrees that Section X of the Order contains a DTSC Covenant not to pursue enforcement actions against the Owner of the Site (the "DTSC Covenant") and Section XII contains Respondent's Covenant Not to Sue.
3. The Undersigned also understands and agrees that it may enjoy the benefits of the DTSC Covenant and the Respondent's Covenant only if the Undersigned covenants not to sue the DTSC and Respondents pursuant to the Respondent's Covenant set forth in Section XII of the Order.
4. The Undersigned further understands and agrees that its right to rely upon and benefit from the DTSC Covenant is expressly subject to and conditioned upon its own, and only its own, compliance with its obligations under the Order, including all exhibits, attachments, and appendices thereto.
5. Submittals to the Undersigned, pursuant to Paragraph 31 of the Order, shall be addressed as follows:

[Name of Company] _____
[Street Address] _____
[City, County, _____
State, Zip Code] _____
Attention: _____
Telephone: _____
Fax: _____

The Undersigned, by signing below, verifies that (i) it is aware that "Existing Contamination" as defined in Paragraph 6(e) of the Order has been found within the boundaries of the Site, and (ii) such condition renders its interest in the Site subject to the Order and to all applicable laws and regulations of the State of California, except as provided in the Order.

The Undersigned, by signing below, certifies that she or he is fully authorized to enter into the terms and conditions of this Notice and to execute and legally bind the Owner to this Notice.

Dated: _____

[Typed Name of Person Authorized to
Sign on Behalf of Owner]
Title: _____

To become effective, this Notice must be sent by United States mail, postage paid, certified, return receipt requested to:

Hamid Saebfar
Regional Branch Chief
Attention: Project Manager [two copies]
Statewide Cleanup Operations Division
Southern California Branch A
Department of Toxic Substances Control
1011 N. Grandview Avenue
Glendale, California 91201

This Notice shall be effective three business days after deposit in the mail if mailed by United States mail, postage paid, certified, return receipt requested.

APPENDIX A
SCOPE OF WORK

The following Tasks will be completed as part of this Order:

TASK 1. Remedial Design and Implementation Plan

Respondent BC will prepare and submit a Remedial Design and Implementation Plan (RDIP) in accordance with the agreed upon schedule contained in the approved RAP. The RDIP shall contain:

- (a) technical and operational plans and engineering designs for implementation of the approved remedial or removal action alternative(s);
- (b) a schedule for implementing the construction phase;
- (c) a description of the construction equipment to be employed;
- (d) a Site specific hazardous waste transportation plan (if necessary);
- (e) the identity of any contractors, transporters and other persons conducting the removal and remedial activities for the Site;
- (f) post-remedial monitoring procedures;
- (g) operation and maintenance procedures and schedules; and
- (h) a health and safety plan.

TASK 2. Implementation of Final RAP

Upon DTSC approval of the RDIP and schedule, Respondent BC shall implement the final RAP as approved in accordance with the approved RDIP and schedule.

TASK 3. Changes during Implementation of the Final RAP

During implementation of the final RAP and RDIP, DTSC may specify such additions, modifications and revisions to the RDIP as deemed necessary to protect human health and safety or the environment or to implement the RAP.

TASK 4. Public Participation

4.1. Respondent BC shall conduct appropriate public participation activities given the nature of the community surrounding the Site and the level of community interest. BC shall work cooperatively with DTSC to ensure that the affected and interested public and community are involved in DTSC's decision-making process. Any such public participation activities shall be conducted in accordance with Health and

Safety Code sections 25358.7 and 25356.1(e), the DTSC Public Participation Policy and Procedures Manual, and with DTSC's review and approval.

4.2. Respondent BC shall develop and submit fact sheets to DTSC for review and approval when specifically requested by DTSC. BC shall be responsible for printing and distribution of fact sheets upon DTSC approval using the approved community mailing list.

TASK 5. Land Use Controls

The parties agree that land use controls or deed restrictions are necessary to insure full protection of the environment and human health, as provided in the Final RAP. The Respondent BC agrees to sign and record the Land Use Controls approved by DTSC.

TASK 6. Operation and Maintenance (O&M)

Respondent BC shall comply with all operation and maintenance requirements in accordance with the final RAP and RDIP.

TASK 7. Discontinuation of Remedial Technology

Any remedial technology employed in implementation of the final RAP shall be left in place and operated by Respondent BC until and except to the extent that DTSC authorizes BC in writing to discontinue, move or modify some or all of the remedial technology because BC has met the criteria specified in the final RAP for its discontinuance, or because the modifications would better achieve the goals of the final RAP.

TASK 8. Five-Year Review

Respondent BC shall review and reevaluate the remedial action for the capped portion of the Site after a period of 5 years from the completion of construction, and every 5 years thereafter. The review and reevaluation shall be conducted to determine if human health and the environment are being protected by the remedial action being implemented for the capped portion of the Site. The review and reevaluation shall focus on whether the cap remains effective, and the land use controls required by the Final RAP remain in place. Within 30 calendar days before the end of each five year period, Respondent BC shall submit a remedial action review workplan to DTSC for review and approval. Within 60 calendar days after receipt of DTSC's approval of the workplan, Respondent BC shall implement such workplan and shall submit a comprehensive report of the results of the remedial action review performed pursuant to such workplan. The report shall describe the results of all sample analyses, tests and

other data generated or received by Respondent BC and evaluate the adequacy of the implemented remedy in protecting public health, safety and the environment.

TASK 9. Health and Safety Plan

Respondent BC will, upon request by DTSC, submit a revised Site Health and Safety Plan in accordance with California Code of Regulations, Title 8, section 5192 and DTSC guidance, which covers all measures, including contingency plans, which will be taken during field activities to protect the health and safety of the workers at the Site and the general public from exposure to hazardous waste, substances or materials. The Health and Safety Plan should describe the specific personnel, procedures and equipment to be utilized.



Department of Toxic Substances Control



Jesse R. Huff, Director
1011 N. Grandview Avenue
Glendale, California 91201

Pete Wilson
Governor

Peter M. Rooney
Secretary for
Environmental
Protection

September 8, 1998

Mr. George Bravante
BC Santa Fe Springs, LLC
717 Lido Park Drive, Suite B
Newport Beach, California 92663

Mr. Glenn Anderson
Environmental Associate
Texaco, Inc.
10 Universal City Plaza
Universal City, California 91608-7812

Dear Sir(s):

WALKER PROPERTY SITE (SITE): CERTIFICATION

The Department of Toxic Substances Control (DTSC) has completed its review of the document "Compaction Report-Pad Construction" for the Walker Property Site (Report). The Report adequately describes the remedial activities performed at the Site and is approved. The document "Covenant and Agreement to Restrict Use of Property and Environmental Restriction" was recorded on August 27, 1998. The recorded deed restricts the use of the asphalt cap area at the Site. DTSC therefore, certifies that the remedial action specified in the Remedial Action Plan of June 13, 1997, has been successfully implemented.

Please be advised that according to the Consent Order for the Site, you must comply with the Operation and Maintenance (O&M) requirements specified in the Remedial Design and Implementation Plan. These requirements include an annual inspection and report on the condition of the cap and a five-year review and evaluation of the remedial action.

Mr. George Bravante
Mr. Glenn Anderson
September 8, 1998
Page 2.

Thank you for your efforts in remediating the Site. Should you have any questions, please contact Richard Gebert at (818) 551-2859 or me at (818) 551-2822.

Sincerely,



Sayareh Amir
Unit Chief
Site Mitigation Cleanup Operations
Southern California Branch A

cc: Ms. Pam Andes
Allen, Matkins, Leck, Gamble & Mallory, LLP
18400 Von Karman, Fourth Floor
Irvine, California 92612-1597

Mr. Trevor Santochi
Avalon Environmental Associates
20 Corporate Plaza
Newport Beach, California 92660

I

REMEDIAL ACTION CERTIFICATION FORM

1. Site Name and Location: (Street address, County, City and Assessor's parcel number)

Walker Property (the Site)
Southeast corner of Lakeland and Bloomfield Avenues
Santa Fe Springs, California 90670
Los Angeles County

A. List any other names that have been used to identify the site: Rothschild Oil Site

B. Assessor's Parcel Number:
8026-001-042

2. Responsible Parties:

Name: Mr. George Bravante
Firm: BC Santa Fe Springs, LLC
Address: 717 Lido Park Drive, Suite B
City: Newport Beach, California 92663
Phone: (949) 332-1812

Relationship to Site:
Current Landowner

Name: Mr. Glenn Anderson
Firm: Texaco, Inc.
Address: 10 Universal City Plaza
City: Universal City, California 91608-7812
Phone: (818) 505-2680

Relationship to Site:
Former Landowner

3. Brief Description and History of the Site:

The Site is located at the southeastern corner of Lakeland and Bloomfield Avenues in the city of Santa Fe Springs in Los Angeles County. The 21-acre Site has been used since the 1930s for the storage of crude oil, refined petroleum products, waste oil, and disposal of off-Site oil well drilling fluids.

Removal actions conducted at the Site included:

- installation of a fence and posting of warning signs around the entire perimeter of the property
- removal of 100 ft.² of friable asbestos
- removal of 200 drums containing 40 tons of waste oil, sludge, and soil impacted with polychlorinated biphenyls (PCBs)
- demolition and off-site disposal of above ground storage tanks containing 23,000 gallons of waste oil and sludge

A remedial investigation and feasibility study conducted in 1995 concluded that petroleum hydrocarbons remaining in the subsurface were residues of degraded crude oil and did not pose a threat to human health or the environment and did not require further action. However, soil contaminated with PCBs in the northwest portion of the Site was addressed in the feasibility study and capping was recommended as the remedial alternative.

In the Remedial Action Plan approved in 1997, an asphaltic cap covering the PCB impacted soil in the northwest part of the Site was chosen as the remedial action. The asphaltic concrete cap was installed in June, 1998. The area of the cap is approximately 100 feet by 160 feet. A deed restriction limiting the area underneath the cap to industrial usage was recorded on August 27, 1998.

4. Type of Site:

Included on Bond Expenditure Plan?

Yes X No

RCRA-Permitted Facility

Bond - funded

RCRA Facility Closure

R.P. - funded X

5. Size of Site: (Based on Expenditure Plan definition of size)

Small Medium X Large Extra Large

6. Dates of Remedial Action:

Installation of a permanent asphalt cap

a. Initiated 6/15/1998

b. Completed 6/26/1998

7. Response Actions Taken on Site:

X Initial Removal or Remedial Action (site inspection/sampling)

Fence and Post

a. Initiated 6/2/1992

b. Completed 6/29/1992

Removal of 200 drums of hazardous waste

a. Initiated 8/7/1993

b. Completed 12/9/1993

Above ground storage tank decommissioning and waste oil & sludge removal

a. Initiated 11/3/1993

b. Completed 1/7/1994

Asbestos removal

a. Initiated 3/7/1994

b. Completed 3/11/1994

X Final Remedial Action

_____ RCRA Enforcement/Closure

_____ No Action, further investigation verified that no cleanup action at site was needed

A. Type of Remedial Action: (i.e. excavation and
redisposal, on-site treatment)

The Remedial Action at the Site included the installation of a 160 x 100 foot asphalt cap.

B. Estimated quantity of waste associated with the site (i.e., tons/gallons/cubic yards) which was:

1. treated Amount:

2. X untreated
(capped sites) Amount: 900 cubic yards of
PCB impacted soil

3. X removed Amount: 23,000 gallons of
waste oil & sludge

Amount: 40 tons of soil
impacted with PCBs,
metals, waste oil &
sludge

Amount: 100 sq. ft of friable
Asbestos

8. Cleanup Levels/Standards

a. What were the cleanup standards established by the

Department of Toxic Substances Control (Department) pursuant to the final RAP or workplan (if cleanup occurred as the result of a removal action (RA) or interim remedial measures (IRM) prior to development of a RAP)?

An asphalt cap was placed over PCB impacted soil which was left in place.

Was the specified cleanup standard met? Yes X No

9. Department of Toxic Substances Control Involvement in the Remedial Action

A. Did the Department order the Remedial Action?

Yes X No Date of Order 10/26/1992

B. Did the Department review and approve (check appropriate action and indicate date of review/approval if done);

X Sampling & Analysis Procedures Date 2/4/1998

X Health & Safety Protections Date 2/4/1998

X Removal/ Disposal Procedures Date 2/4/1998

X Remedial Action Plan Date 6/13/1998

C. If site was abated by a responsible party, did the Department receive a signed statement from a licensed professional on all Remedial Action?

Yes X No Dates (from) 6/15/1998 (to) 6/26/1998

D. Did a registered engineer or geologist verify that acceptable engineering practices were implemented?

Yes X No Dates (from) 6/15/1998 (to) 6/26/1998

E. Did the Department confirm completion of all Remedial Action?

Yes X No Date of verification 9/8/1998
(i.e. manifest, sampling, demonstrated installation and
operation of treatment)

F. Did the Department (directly or through a contractor) actually perform the Remedial Action?

Yes _____ No X Name of Contractor: _____

G. Was there a community relations plan in place?

Yes X No

H. Was a remedial action plan developed for this site?

Yes X No

I. Did the Department hold a public meeting regarding the draft RAP?

Yes X No

J. Were public comments addressed?

Yes X No

Date of the Department analysis and response: _____

K. Are all the facts cited above adequately documented in the Department files? Yes X No _____
if no, identify areas where documentation is lacking

10. EPA Involvement in the Remedial Action:

A. Was the EPA involved in the site cleanup? Yes _____ No X

B. If yes, did the EPA concur with all remedial actions?

Yes _____ No _____

F. Were local planning agencies notified of the cleanup action?
Yes X No If yes, the name and address of
agency:

Mr. Andrew Lazaretto, Redevelopment Consultant
City of Santa Fe Springs
11710 Telegraph Road, Santa Fe Springs, CA 90670-3658

13. Expenditure of Funds and Source:

(Information to be supplied by Toxic Accounting Unit.)
Funding Source and amount expended:

<u> </u>	HWCA	\$ <u> </u>	HSA	\$ <u> </u>
<u> </u>	HSCF	\$ <u> </u>	RCRA	\$ <u> </u>
<u> </u>	R.P.	\$ <u> 2,500,000.00 </u>		
<u> </u>	Federal Cooperative Agreement	\$ <u> </u>		
<u> </u>	Other (Site Remediation Account)	\$ <u> </u>		

14. Certification Statement: Based upon the information which is
currently and actually known to the Department,

 The Department has determined that all appropriate
response actions have been completed, that all acceptable
engineering practices were implemented and that no
further removal/remedial action is necessary.

 The Department has determined, based upon a remedial
investigation or site characterization that the site
poses no significant threat to public health, welfare or
the environment and therefore implementation of
removal/remedial measures is not necessary.

 X The Department has determined that all appropriate
Removal/remedial actions have been completed and that
all acceptable engineering practices were implemented;
however, the site requires ongoing operation and
maintenance (O&M) and monitoring efforts. The Site will
be deleted from the "active" site list following (1) a
trial operation and maintenance period and (2) execution
of a formal written settlement between the Department and

the responsible parties, if appropriate. However, the site will be placed on the Department's list of sites under going O & M to ensure proper monitoring of long-term cleanup efforts.

15. Additional Comments:

16. Certification of Remedial Action:

I hereby certify that the foregoing information is true and correct to the best of my knowledge.

1. Richard Gebert 11/20/1998
Richard Gebert, Project Manager
Southern California Cleanup Operations.
Branch A
Date

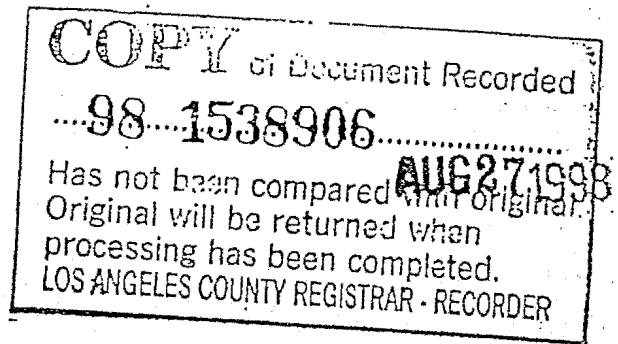
2. Sayareh Amir 11/23/1998
Sayareh Amir, Unit Chief
Southern California Cleanup Operations
Branch A
Date

3. Hamid Saebfar 11/24/98
Hamid Saebfar, Branch Chief
Southern California Cleanup Operations
Branch A
Date

REQUESTED BY
AND WHEN RECORDED MAIL TO:

ALLEN, MATKINS, LECK, GAMBLE
& MALLORY LLP
18400 Von Karman, Fourth Floor
Irvine, California 92612-1597

Attention: R. Michael Joyce, Esq.



(Space Above For Recorder's Use)

COVENANT AND AGREEMENT TO RESTRICT USE OF PROPERTY AND
ENVIRONMENTAL RESTRICTION

This Covenant and Agreement To Restrict Use of Property and Environmental Restriction ("Covenant") is made as of the 11th day of August, 1998 by BC SANTA FE SPRINGS, LLC, a Delaware limited liability company ("Covenantor"), which is the owner of certain real property situated in the City of Santa Fe Springs, County of Los Angeles, State of California, as more fully described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property") for the benefit of the CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL, as defined in Paragraph 1.1 (the "Department"), with reference to the following facts:

RECITALS:

A. The Property is located in the City of Santa Fe Springs, Los Angeles County, California, as more specifically described in Exhibit "A". The Property is also more specifically described as Los Angeles County Assessor's Parcel No. 8026-001-042. The Property was formerly used as a waste oil storage and transfer facility. The Property was also used for the disposal of oil field drilling waste from the 1920's to 1985.

B. On March 31, 1992, the Department issued its Imminent Or Substantial Endangerment Order and Remedial Action Order HSA I &/SE91/92-009 as amended on October 26, 1992 ("Order").

C. Pursuant to the Order, a Remedial Investigation, including a Base Line Health Risk Assessment, was conducted, in order to define the nature and extent of contamination at the Property. Twenty-nine chemicals of concern were quantitatively evaluated in the risk assessment. The total non-cancer hazard index for all chemicals and all exposure pathways was

significantly less than 1.0 for the future occupational receptor under the reasonable maximum exposure ("RME") scenario. Therefore, there is not a concern for potential chronic adverse health effects at the Property for future occupational populations. The estimated cancer risk for the future occupational receptor was 9×10^{-6} (nine in one million) under the RME scenario and, using more typical exposure parameters for the future occupational receptor results, was only 4×10^{-7} (four in ten million). Under the RME scenario, exposure to polychlorinated biphenyls ("PCBs") contributed to approximately ninety-six (96%) of the cancer risk. A Feasibility Study was also prepared, which evaluated the possible remedial alternatives and recommended the most appropriate alternative for the Property. A Remedial Action Plan ("RAP") was submitted for public comment and Department approval. On June 13, 1997, the RAP was approved and adopted by the Department. The RAP required the construction of a cap on soils containing PCBs. The parking lot/cap so constructed is located on a small portion of the Property over the area containing the PCBs depicted on Exhibit "C" attached hereto and described on Exhibit "D" attached hereto, which area of the Property is hereinafter referred to as the "Affected Property".

D. The Department has since determined, based on information available to the Department, that the remedial measures required by the terms of the RAP have been undertaken to the satisfaction of the Department. The Department has further determined that, based on information available to the Department, the Property no longer presents any significant existing or potential hazard to present or future public health or safety, provided that the parking lot/cap constructed in accordance with the RAP is maintained over the Affected Property and certain precautions are taken in connection with any excavation or earth moving activity performed on the Affected Property, and further provided that certain land use restrictions are observed.

E. Pursuant to California Civil Code Section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials defined in California Health and Safety Code Section 25260. The Covenantor and the Department therefore intend that the parking lot/cap constructed pursuant to the RAP be maintained and the use of the Property be restricted as set forth in this Covenant. This Covenant shall also serve to provide public notice that the obligation to maintain and repair the parking lot/cap constructed pursuant to the RAP satisfies all requirements of the Order, and that no further remedial action will be required by the Department in connection with the conditions existing on the Property.

ARTICLE I DEFINITIONS

1.1 Department. "Department" shall mean the California State Department of Toxic Substances Control and shall include its successor agencies, if any.

1.2 Improvements. "Improvements" shall mean all buildings, roads, driveways, regrading, landscaping and paved parking areas, constructed or placed upon any portion of the Property but shall not include any building interior improvements.

1.3 Occupant. "Occupant" shall mean any holder of a leasehold interest in the Property which entitles the leasehold interest holder to the right to occupy all or any portion of the Affected Property. "Occupant" shall not include a person that is a lender as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et. seq., as it presently exists or may hereafter be amended from time to time.

1.4 Owner. "Owner" shall mean and refer to one or more persons or entities who are, alone or collectively, the record owner of the fee simple title to all or any portion of the Property.

1.5 Excavation. "Excavation" shall mean the drilling or boring of any holes through the parking lot/cap constructed pursuant to the RAP or excavation of earth from below the ground surface of the Affected Property.

1.6 Earth Movement. "Earth Movement" shall mean the movement of earth extracted from below the ground surface from any one location of the Affected Property to any other location of the Affected Property.

1.7 Contaminated Soil. "Contaminated Soil" shall mean soils containing PCBs in concentrations exceeding one milligram per kilogram (1 mg/kg).

1.8 Property. The Property consists of all of the land more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference, and as depicted on Exhibit "B" attached hereto, but shall not include any buildings now existing or to be constructed on the land.

1.9 Order. "Order" shall have the meaning given such term in Paragraph B. of the Recitals set forth above.

1.10 PCBs. "PCBs" shall have the meaning given such term in Paragraph C. of the Recitals set forth above.

1.11 RAP. "RAP" shall have the meaning given to such term in Paragraph C. of the Recitals set forth above.

1.12 City. "City" shall mean the City of Santa Fe Springs, California.

1.13 Affected Property. "Affected Property" shall have the meaning given such term in Paragraph C. of the Recitals set forth above.

1.14 Restrictions. "Restrictions" shall have the meaning given such term in Section 2.1 hereof.

ARTICLE II EFFECT OF COVENANT

2.1 Restrictions to Run with the Land. This Covenant sets forth, for the mutual benefit of the Property, the Owners and Occupants thereof, the People of the State of California, and the Department, protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and all of the Restrictions shall run with the land, shall inure to the benefit of, and pass with each and every portion of the Property, and shall apply to and bind the respective successors in interest thereof for the benefit of the Department. Each and all of the Restrictions are imposed upon the entire Property unless expressly stated as applicable only to a specific portion of the Property. Each and all of the Restrictions are imposed pursuant to California Health and Safety Code sections 25222.1, 25355.5 and 25356.1. Each and all of the Restrictions shall run with the land pursuant to said Sections 25222.1, 25355.5 and 25356.1, and California Civil Code section 1471. Each and all of the Restrictions are for the benefit of the Department and shall be enforceable by the Department.

2.2 Concurrence of Owners Presumed. All Owners and Occupants of all or any portion of the Property shall be deemed by their purchase, lease or possession of such Property, to have knowledge of, and be in accord with, the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents and employees, of such Owners, Occupants, heirs, successors, and assignees, that the Restrictions as herein set forth must be adhered to for the benefit of the Department and of future Owners and Occupants and that their interest in the Property shall be subject to the Restrictions contained herein.

2.3 Incorporation Into Deeds and Leases. The Restrictions contained herein, including, but not limited to, the provisions regarding the Department's authority to enforce the Covenant, shall be incorporated by reference in each and every deed and lease of all or any portion of the Property, with the exception that this Paragraph 2.3 shall not be interpreted to require the Restrictions to be incorporated by reference in any lease in which the tenant, under the terms of the lease, would not be deemed an Occupant of the Property.

2.4 Effect of Recitals. The statements set forth in the Recitals are hereby declared to be true and correct.

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE PROPERTY

3.1 Restrictions on Use. Covenantor promises to restrict the use of the Property as follows:

3.1.1 The Owner shall at all times maintain or cause to be maintained in good order, condition and repair, the parking lot/cap constructed pursuant to the RAP so as to cover any Contaminated Soil located on the Affected Property. The parking lot/cap will be monitored and maintained after construction is completed in accordance with the

operations and maintenance requirements set forth in the Remedial Design and Implementation Plan to be developed pursuant to the RAP to ensure that a sloped paved surface is maintained at all times at a minimum one percent (1%) grade to effectively facilitate surface water runoff and prevent ponding. Repairs to the paved surface will be made as necessary to assure that the minimum slope is maintained. The paved surface constructed will be periodically inspected for cracks, discontinuities, and ponding of surface water in accordance with the operations and maintenance requirements set forth in the Remedial Design and Implementation Plan to be developed pursuant to the RAP. The side slopes along the perimeter of the paved surface will be inspected for signs of erosion. Repairs to the pavement and the side slopes will be made as necessary to impede infiltration of surface water.

3.1.2 In the event that following the construction of the parking lot/cap any Earth Movement or Excavation is proposed to occur upon any portion of the Affected Property, the Owner or Occupant shall:

A. Notify the Department of such proposed Earth Movement or Excavation thirty (30) days prior to the beginning of such Earth Movement or Excavation;

B. Submit a Soil Management Plan and a Health and Safety Plan to the Department for review and approval prior to conducting any Earth Movement or Excavation. No Earth Movement or Excavation shall be permitted on the Affected Property except in accordance with the Soil Management Plan and the Health and Safety Plan approved by the Department.

C. Any Contaminated Soils brought to the surface by Earth Movement or Excavation shall be managed in accordance with all other applicable provisions of state and federal law.

3.1.3 Neither the Affected Property, nor any portion thereof, shall be used for residential purposes, hospitals for humans, schools for persons under 21 years of age, day-care centers for children, or any permanently occupied human habitation (including hotels or motels which are used as a permanent residence) without the prior written approval of the Department. The Affected Property, and any portion thereof, may be used for industrial or commercial purposes as authorized from time to time by the City, except as specifically prohibited in this Paragraph 3.1.3.

3.1.4 Covenantor agrees that all Owners and Occupants shall grant the Department reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant.

3.2 Conveyance of Property. Within thirty (30) days after the closing of any sale, lease, or other conveyance of all or any portion of the Property, the former Owner (in the case of a sale) or Occupant (in the case of a lease) and the then current Owner or Occupant of the Property or part thereof conveyed shall provide written notice to the Department of the name and

address of all the then Owners and/or Occupants of the Property or part thereof, conveyed. The Department shall not, by reason of the Covenant, have authority to approve, disapprove or otherwise affect any sale, lease, or other conveyance of the Property except as otherwise provided by law. Upon the sale or transfer of the entire interest of the Owner in the Property (including Covenantor), such Owner (including Covenantor) shall be released and relieved of any further liability or obligation under this Covenant. Upon the termination of the leasehold interest of any Occupant in the Affected Property, such Occupant shall be released and relieved of any further liability or obligation under this Covenant.

3.3 Enforcement.

3.3.1 Failure of any Owner or Occupant to comply with any of the requirements set forth in Paragraph 3.1.3 above, shall be grounds for the Department, by reason of the Covenant, to require the Owner or Occupant to discontinue any use of the Property in violation of Paragraph 3.1.3. Failure to observe the Restrictions set forth in Paragraph 3.1 shall be grounds for the Department to pursue any remedy provided by law to enforce the provisions of Paragraph 3.1. Any costs reasonably and necessarily incurred by the Department to enforce the provisions of Paragraph 3.1 shall be recoverable from the Owner or the Occupant of the Property determined in the final disposition of the enforcement action to have failed to observe the Restrictions.

3.3.2 Covenantor shall have no obligation to enforce or to police the observance of the Restrictions set forth herein by other Owners or Occupants of the Property or any portion thereof. This Covenant shall not create any private right of action against Covenantor or any other Owner or Occupant of the Property or any portion thereof.

3.4 Rights of Mortgagees. No breach of any covenant, condition or restriction herein contained, or any enforcement thereof, shall defeat or render invalid the lien of any first mortgage or deed of trust made in good faith now or hereafter executed upon all or any portion of the Property, provided, however, that if any such property is sold under a foreclosure of any mortgage or under the provisions of any deed of trust, any purchaser at such sale and its successors and assigns shall hold any and all property so purchased subject to all of the covenants, conditions and restrictions contained in this Covenant.

ARTICLE IV VARIANCE TERMINATION AND AMENDMENT

4.1 Variance. Any Owner, or with the Owner's written consent, which shall not be unreasonably withheld, any Occupant of the Property or any portion thereof, may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with Section 25233 of the California Health and Safety Code.

4.2 Termination. Any Owner, or with the Owner's written consent, which shall not be unreasonably withheld, any Occupant of the Property or any portion thereof, may apply to the Department for a termination of the Covenant as it applies to all or any portion of the

Property owned or occupied by the applicant. Such application shall be made in accordance with Section 25234 of the California Health and Safety Code.

4.3 Amendment. This Covenant may be amended from time to time in a writing signed by the Director of the Department or his or her designee, and all of the then Owners of the Property, or any portion thereof, which remains subject to this Covenant. Any such amendment shall be effective only upon the date any such amendment is filed for recording in the official records of the County of Los Angeles, State of California.

4.4 Term. Unless terminated in accordance with Paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V EFFECT OF ISSUANCE OF RAP AND IMPLEMENTATION THEREOF

5.1 Effect of Approval of the RAP. By approving the RAP, the Department determined, based on information available to the Department, that the remedial measures required by the RAP would remediate any significant existing or potential hazard to present or future public health or safety from conditions existing on the Property.

5.2 No Further Action Based on Implementation of RAP. The Department subsequently determined, based on information available to the Department, that the remedial measures undertaken in accordance with the RAP have satisfied any significant existing or potential hazard to present or future public health or safety, and provided that the parking lot/cap is maintained and the precautions undertaken pursuant to the terms of this Covenant, there no longer exists any significant existing potential hazard to present or future public health or safety from conditions existing on the Property. Based on the foregoing, the Department has determined that no further action will be required in connection with the conditions existing on the Property.

ARTICLE VI MISCELLANEOUS

6.1 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property or any portion thereof to the general public or for any purposes whatsoever.

6.2 Notices. Whenever any person shall desire to give or serve any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (i) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served or official of a government agency being served, or (ii) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested. Any party may change its address by notice to the other party in the manner set forth above. The following addresses shall be effective as of the date of this Covenant.

Covenantor:

BC Santa Fe Springs, LLC
c/o Bravante-Curci Investors, L.P.
717 Lido Park Drive
Lido Peninsula
Newport Beach, California 92663

Department:

California Department of Toxic Substances Control
Statewide Cleanup Operations Division
Southern California Branch A
1011 N. Grandview Avenue
Glendale, California 91201
Attention: Hamid Saebfar, Chief

6.3 Partial Invalidity. If any portion of the Covenant is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

6.4 Article Headings. Headings at the beginning of each article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.

6.5 Recordation. This instrument shall be executed by all Owners of the Property and by the Director, California Department of Toxic Substances Control, or his or her designee. This instrument shall be filed by the Covenantor for recording in the Official Records of the County of Los Angeles, State of California within ten (10) days after the Effective Date (defined in Section 6.6 below). Covenantor shall provide the Department a copy of the Covenant marked as received for recording by the County of Los Angeles. Upon receipt of the Covenant marked as recorded, Covenantor shall provide a copy of such document to the Department.

6.6 Effective Date. This Covenant shall be effective upon such date that the Covenant is fully executed by Covenantor and the Department.

///

///

///

///

///

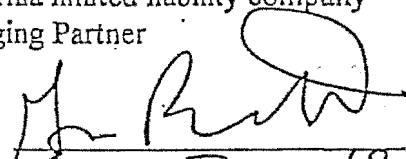
///

6.7 Counterparts. This Covenant may be executed in counterparts, each of which shall be deemed an original but all of which, when taken together, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

BC SANTA FE SPRINGS, LLC,
a Delaware limited liability company

By: Biltmore Advisors, LLC, a
California limited liability company
Managing Partner

By: 
Name: George Bravante
Its: Managing Member

CALIFORNIA DEPARTMENT OF TOXIC
SUBSTANCES CONTROL

By: _____
Hamid Saebfar, Chief
Statewide Cleanup Operations Division
Southern California Branch A

6.7 Counterparts. This Covenant may be executed in counterparts, each of which shall be deemed an original but all of which, when taken together, shall constitute but one and the same instrument.

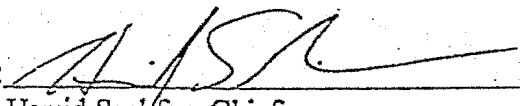
IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

BC SANTA FE SPRINGS, LLC,
a Delaware limited liability company

By: Biltmore Advisors, LLC, a
California limited liability company
Managing Partner

By: _____
Name: _____
Its: _____

CALIFORNIA DEPARTMENT OF TOXIC
SUBSTANCES CONTROL

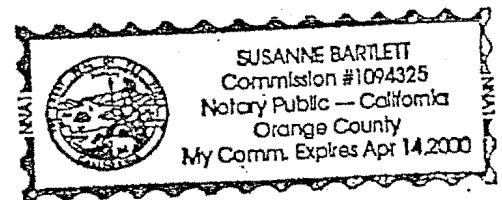
By: 
Hamid Saebfar, Chief
Statewide Cleanup Operations Division
Southern California Branch A

STATE OF California)
COUNTY OF Orange) ss.

On August 11, 1998, before me, Susanne Bartlett a Notary Public in and for said state, personally appeared George Bravatt personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Susanne Bartlett
Notary Public in and for said State



STATE OF _____)
COUNTY OF _____) ss.

On _____, before me, _____, a Notary Public in and for said state, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, before me, _____, a Notary Public in and for said state, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

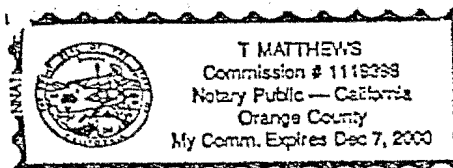
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 18, 1998, before me, T Matthews, a Notary Public in and for said state, personally appeared Hamid Saebfar, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

T Matthews
Notary Public in and for said State



LEGAL DESCRIPTION OF PROPERTY

The land referred to herein is situated in the State of California, County of Los Angeles, and is described as follows:

THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF SANTA FE SPRINGS, LYING WEST OF ATCHISON, TOPEKA AND SANTA FE RAILROAD RIGHT OF WAY.

EXCEPT THEREFROM ALL OIL, MINERALS AND MINERAL RIGHTS, ORES AND METALS AND OTHER USEFUL AND VALUABLE MINERAL DEPOSITS OF EVERY KIND, CHARACTER AND DESCRIPTION, INCLUDING IN PART ASPHALT, TAR, GAS, OIL, PETROLEUM AND OTHER HYDROCARBONS THAT MAY BE OR HEREAFTER BE FOUND, DEPOSITED, CONTAINED OR DEVELOPED, IN, UPON, FROM OR UNDER, OR THAT MAY BE MINED, EXTRACTED, PUMPED OR WITHDRAWN IN ANYWAY IN, UPON, FROM OR UNDER ALL OR ANY PART OF SAID LAND TOGETHER WITH THE RIGHT TO GO AND BE UPON THE NORTH 500 FEET OF SAID LAND (BUT NOT ANY OTHER PART THEREOF) FOR THE PURPOSE OF EXTRACTING AND REMOVING SAME AS EXCEPTED AND RESERVED BY JULIA M. BAKER, A WIDOW, IN THE DEED RECORDED FEBRUARY 21, 1935 IN BOOK 13278 PAGE 172, OFFICIAL RECORDS, AND REGISTERED FEBRUARY 4, 1935 AS DOCUMENT NO. 1451-D.

EXHIBIT "A"

8026

Special

10411 - 200'

1997

NAME: 1-143
 1011203 67005
 36011304004001-17 1-1-1
 36011304004003-27 1-1-1
 670017113
 411010

701136-
7/4/45

מודפני

CODE 0060

MEYER
RD.

CODE 3098 -

RAINE

EXHIBIT "B"

COPI
5332
9006
9084
9048
9058

FOR REV. ALBERT. JEN;
2026 -- 1

PARCEL MAP
P.M. 50-50

RANCHO SANTA GERTRUDES
SEC., TWP. & RGE. AS PER M.R. 32-1B
M.R. 32-1B

PARCEL MAP
P.M. 50-28

PARCEL MAP
P.M. 50-84

PARCEL MAP
P M 140-1-4

AUG 14 1906
ASSISTANT'S MAP
COUNTY OF LOS ANGELES, CALIF.

POB
NORTHWEST CORNER SECTION 8
T3S, R11W, SBM PER RS 48/18

LAKELAND ROAD

BLOOMFIELD AVENUE

S0°07'18"W 140.00'

S89°52'42"E 170.00'

WEST LINE SECTION 8

S0°07'18"W 162.00'

'AFFECTED PROPERTY'



WILLDAN ASSOCIATES
ENGINEERS & PLANNERS

1700 CROSSROADS PARKWAY SOUTH, INDUSTRY, CA 91746
(626) 908-6200

SKETCH OF THE 'AFFECTED PROPERTY'
DESCRIBED IN EXHIBIT 'D'
IN THE CITY OF SANTA FE SPRINGS
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

SCALE:	1" = 60'	DATE	7-20-98
DRAWN BY:	DB	JOB NO.:	08170-0633-6650
CHECKED BY:	DX	FIELD BK.:	

EXHIBIT "C"

LEGAL DESCRIPTION OF AFFECTED PROPERTY

The Affected Property referenced in the Covenant to which this is attached is situated in the State of California, County of Los Angeles, and is described as follows:

That portion of the North one-half of the Northwest one-quarter of Section 8, Township 3 South, Range 11 West, San Bernardino Meridian, in the City of Santa Fe Springs, County of Los Angeles, State of California lying within a strip of land 100.00 feet wide, the Westerly line of which is described as follows:

Beginning at the Northwest corner of said Section 8, said corner also being the centerline intersection of Bloomfield Avenue and Lakeland Road, as shown on a Record of Survey filed in Book 48, page 18 of Records of Survey, in the office of the County Recorder of said County; thence, along the West line of said section, South 0°07'18" West, 140.00 feet; thence, at right angles, South 89°52'42" East, 170.00 feet to the True Point of Beginning; thence, parallel with said West line, South 0°07'18" West, 162.00 feet to the Point of Termination.

EXHIBIT "D"

APPENDIX B

PHOTOGRAPHIC DOCUMENTATION



Photograph No. 1: PCB Capped Area looking northeast.



Photograph No. 2: PCB Capped Area looking north.



Photograph No. 3: Southern portion of the PCB Capped Area, looking east.



Photograph No. 4: PCB Capped Area looking southwest.



Photograph No. 5: Northern portion of the PCB Capped Area, looking west.



Photograph No. 6: PCB Capped Area looking south.



Photograph No. 7: Groundwater monitoring well W-16 located immediately south of the PCB Capped Area.

APPENDIX C

COMPLETED FIVE-YEAR REVIEW SUMMARY FORM

Five-Year Review Summary Form

SITE IDENTIFICATION		
Site name (from WasteLAN): _____		
EPA ID (from WasteLAN): _____		
Region:	State:	City/County: _____
SITE STATUS		
NPL status: <input type="checkbox"/> Final <input type="checkbox"/> Deleted <input type="checkbox"/> Other (specify) _____		
Remediation status (choose all that apply): <input type="checkbox"/> Under Construction <input type="checkbox"/> Operating <input type="checkbox"/> Complete		
Multiple OUs?* <input type="checkbox"/> YES <input type="checkbox"/> NO	Construction completion date: ____ / ____ / ____	
Has site been put into reuse? <input type="checkbox"/> YES <input type="checkbox"/> NO		
REVIEW STATUS		
Lead agency: <input type="checkbox"/> EPA <input type="checkbox"/> State <input type="checkbox"/> Tribe <input type="checkbox"/> Other Federal Agency _____		
Author name: _____		
Author title: _____	Author affiliation: _____	
Review period:** ____ / ____ / ____ to ____ / ____ / ____		
Date(s) of site inspection: ____ / ____ / ____		
Type of review: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Post-SARA <input type="checkbox"/> Pre-SARA <input type="checkbox"/> NPL-Removal only </div> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Non-NPL Remedial Action Site <input type="checkbox"/> NPL State/Tribe-lead </div> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Regional Discretion </div>		
Review number: <input type="checkbox"/> 1 (first) <input type="checkbox"/> 2 (second) <input type="checkbox"/> 3 (third) <input type="checkbox"/> Other (specify) _____		
Triggering action: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Actual RA Onsite Construction at OU # _____ <input type="checkbox"/> Actual RA Start at OU# _____ </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Construction Completion <input type="checkbox"/> Previous Five-Year Review Report </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Other (specify) _____ </div>		
Triggering action date (from WasteLAN): ____ / ____ / ____		
Due date (five years after triggering action date): ____ / ____ / ____		

* ["OU" refers to operable unit.]

** [Review period should correspond to the actual start and end dates of the Five-Year Review in WasteLAN.]

Five-Year Review Summary Form, cont'd.

Issues:

Summarize issues (see Chapter 3).

Recommendations and Follow-up Actions:

Summarize recommendations and follow-up actions (see Chapter 3).

Protectiveness Statement(s):

Include individual operable unit protectiveness statements. For sites that have reached construction completion and have more than one OU, include an additional and comprehensive protectiveness statement covering all of the remedies at the site (see Chapter 4).

Other Comments:

Make any other comments here.